WEALTH
The Beginning of the Path

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Eng. **Ariel Benzacar**

Introduction

The purpose of this work is to attempt to propose a system of economic growth and development. Three economic stages of societies are proposed: prematerial, material, and postmaterial. Although in this work we focus on premateriality since more than three-quarters of the planet is in this economic situation, we believe it is essential to propose the need for a direction. We consider that economic growth and development are a means and do not believe that their ultimate goal is materiality. Social problems (such as drug addiction, alcoholism, insomnia, depression, etc.) are becoming evident, clearly demonstrating that the material goal does not solve all problems. As a result, we outline a stage that we call postmaterial.

The objective of this growth and development is people. Obviously, if they are in a prematerial stage, it is essential to satisfy those material desires and needs that are generally physical in nature. Once this situation is reached (interface point), a multidimensional space opens whose order is the income of people and whose Z-axis is immaterial desires, which give a spatial configuration to this proposal. Examples of immaterial desires are love, happiness, joy, sensations, perceptions, emotions, sociability, among others. The postmaterial stage is a balance between material desires and immaterial desires. There are infinite combinations, as many as human beings, but what can be asserted is that if a society begins to work systematically on the immaterial desires of its members (kindergarten, primary, secondary, university), the demand for resources will have to decrease since people will allocate much of their time to shaping that immateriality to perceive, accept, feel themselves (and feel the world) in a way that allows this accumulation of perceptions to result in the satisfaction of those desires.

Because the lack of growth leads to the loss of hope, it is associated with the resignation of being able to satisfy desires related to minimum needs: health, housing, education, food, etc., and this leads to resignation, and such resignation results in anguish and/or violence. The case of the economy shrinking is excluded, which produces an indescribable social shock of different characteristics.

Any actor and observer of the economic cycles of my country, Argentina, can affirm that on many occasions they have felt helplessness and despair as a result of having experienced countless

inequities. And this generated in me the need to work on this issue to try to explain why in a country with immense possibilities for development and growth it has not been possible to ensure that the upper limit of people's income is linked to their capacity for work and talent and that the lower income can guarantee housing, education, work, and other basic needs.

On this subject, countless explanations have been heard (and often suffered). The reality is that all the hypotheses proposed face a large number of exceptions. Many believe that legal security is the basis of growth, but contemporary China and Stalinist Russia are clear examples that legal security is not necessarily the basis of growth.

Others believe that democracy is the basis of growth, but history shows numerous cases of societies without democracy but with growth. Some argue that the problem is cultural, although they offer no solution for cultural change nor any demonstration of which part of culture affects economic growth. Finally, a group postulates that the key lies in religion (Weber was a precursor in this). As a counterpoint to this thesis, we currently have Catholic countries that are as fertile as Protestant countries.

So the big question is what makes some societies prosperous and others less so; in other words, why do some countries grow generating well-being for their population while others do not achieve this.

Our answer to this problem is systemic. This means that for the problem to be solved, several factors must be present. The absence of any of them rules out the possibility of the expected result.

And to make the understanding of the system easier, we will propose a synthesis aimed at the different social actors where we will try to show the system in operation.

Since we have developed a language whose terms are defined in the text and when read in isolation may lose the importance and place they occupy in the system, each term we use in our synthesis will include the page where it is explained or expanded. In this way, we hope the reading of this work will be more pleasant and attractive.

Eng. **Ariel Benzacar**

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Abstract

Postulates

Postulate 1: Economic growth and development is a function of how resources are managed. Management is the administration and allocation of these resources. Moreover, having efficient administration and management alone does not guarantee economic growth and development. A common behavior in all societies with good management is that none act against their social mandate. The above holds true for social actors (companies, other organizations, individuals, government), regardless of the economic stage the society is in: whether that society is prematerial, material, or postmaterial.

Postulate 2: Prosperous societies have a social mandate that allows them to manage coherently and interpret and apply laws and regulations consistently with that mandate.

Postulate 3: Premateriality is associated with the lack of a social mandate or the existence of one that is not viable for that state.

Postulate 4: (global wealth): For societies that have not found their social mandate, global wealth is proposed as the core of their content, understood as the wealth of individuals plus the wealth of companies plus the wealth of the state, with "wealth" understood for these purposes.

Postulate 5:(inclusive postulate): A just society must have the capacity to accommodate all its social actors, regardless of their economic and cultural stage. This means that even the most ignorant and least prepared individual must have an activity that allows them to access a dignified quality of life.

Postulate 6:(biodiversity): This means that in a prosperous society all activities, knowledge, technologies, cultures, and religions must be able to coexist.

Postulate 7: (freedom): This postulate is based on the possibility of exercising each individual's or actor's right up to the point where it begins to affect the rights of another. This extends to all social actors, whether natural or legal persons.

Postulate 8: (pedagogy): It is proposed that training, instruction, and dissemination are the basis to begin change.

Postulate 9: (language): People speak as they think and think as

they speak. In this, the meaning given to words is not a minor issue.

Postulate 10: (resources): In prematerial societies, most difficulties, problems, and limitations are related to physical resources. Therefore, care for and increase of these resources is one of our priorities.

Postulate 11: (critical mass): This postulate holds that it is impossible to manage (administer and allocate) resources without having a minimum number of people aligned with our mandate.

Postulate 12: (conspiratorial postulate): This work starts from the hypothesis that individuals, companies, and states exercise their right of petition and that, in turn, interlocutors may exercise the right of denial. Therefore, we can consider that when the outside presents us with its position, it is the one that benefits it most and not necessarily the one that serves us. Thus, it is understood that those who petition are neither bad nor good; they behave as previously expressed. It is not that they are especially conspiring against us.

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Objective

This work aims to explain why some societies are prosperous and others are not. To do so, it proposes a possible interpretation that seeks to respect the postulates previously stated.

We have seen, studied, and suffered countless economic theories that, when applied in my country, Argentina, resulted in poverty, desolation, unemployment, despair, and violence. This reality is inexplicable for a country with abundant natural resources, a significant degree of religious homogeneity, a good cultural level, and linguistic homogeneity, among other parameters. The existence of these attributes and other equally favorable but unmentioned factors, along with the lack of results and the absence of explanations for each failure, generated an obsessive need to find a possible solution. Many justify these results as a product of corruption, others as a consequence of the type of immigration, others as a result of legal insecurity, and others attribute it to the lack of institutions, but the reality is that all these explanations do not help propose a solution and also have as many exceptions that prove the contrary.

All this generated a need to propose a possible solution with its corresponding explanations and that must be coherent with the postulates.

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Definitions of prematerial, material, and

postmaterial

This entire work is centered on a molecular aspect of society, which is people. With the clear objective of improving their quality of life in the shortest possible time. We will define premateriality. Prematerial is when a person has unmet functional needs. This means that they do not consume enough calories, do not have good health quality, lack heating, or have housing deficits that inevitably translate into psychological or health problems. Example: overcrowding, poor quality drinking water, lack of sewage, etc. Once this stage is overcome, we move to the material stage. Material stage: is when the person tries to satisfy their sensory needs. Example: quality of food, texture of clothing, housing area, location of the home, personal aesthetics, etc. And then the postmaterial stage, which is related to material and immaterial desires (happiness, joy, communication, the activity one does, belonging). Since it is impossible for us to define the combination of elements that guarantee the postmaterial stage because there are as many combinations as human beings, we have taken the position of correlating the postmaterial stage with the person's immunological parameters and their longevity with its consequent quality. Unfortunately, we have to talk about these two objective variables because I believe that access to postmateriality is relatively new in historical terms in the world we live in. So we believe that a good quality of life must be reflected in our antigen levels and in our longevity.

Classification of the economic stage

We define three economic stages: **Prematerial** / **Material** / **Postmaterial**

Solution

Faced with the issue raised, questions arose: what is necessary for the possibility of growth and development to exist? Why are growth and development necessary? When do growth and development occur? How are growth and development safeguarded? Assuming that by answering these questions, within the limitations imposed by the postulates, the issue would be resolved.

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When there is growth and development

There is growth and development when social actors allocate and manage resources based on a social mandate.

From the previous definition, it is assumed that growth is a function of management and not of an economic policy, since we consider that no economic policy promotes poverty or unemployment. However, it can generate them if it goes against the social mandate.

What was said above is true, but suppose we do not have a social mandate. Then our definition would be reformulated as follows: there is growth and development when social actors allocate and manage resources. In such a definition, each social actor will try to do what benefits them most; this is not necessarily what benefits the whole, and this behavior allows the development of economic diseases such as cannibalism, intellectual dishonesty, and corruption. It is true that the current academic framework has generated significant knowledge development oriented toward management (internal rate, discounted cash flow, etc.) that are valid in terms of these actors but do not take the whole into account.

What is necessary for growth and development to occur?

As we have said before, for growth and development to occur it is necessary to manage and allocate resources in such a way that the struggle among social actors over them ends up producing a result of greater prosperity. Here the problem arises of how the resources were allocated and by what criteria they were managed. It can be done to minimize expenses, to maximize cash, to minimize debt, etc. And I can allocate to solve housing problems, health, education, profitability, efficiency, etc. To give meaning to the two acts (managing and allocating), it is essential that they be subordinated to a social mandate. Otherwise, the forms may be fulfilled but not the content.

This means that if we do not have a social mandate, for example in the capitalist system, the pursuit of profitability by one sector may be based on the loss of another; a good social mandate would have to favor those who manage to increase their profitability by enabling others to increase theirs. Obviously, this path is more laborious but it explains why some societies prosper and others do not. The existence of the mandate allows us to give spirit to the universe of laws and regulations within which those who manage and administer must navigate. But I have seen in my country officials trained abroad who fail in their management when they come to power. Here, trying to explain this disappointment, we borrow a concept from atomic bomb physics called critical mass (the minimum amount of uranium that allows a chain reaction). Applied to management, this concept tells us that it is essential to have a minimum number of people aligned with our mandate to guarantee its objectives (growth and development).

Good management must increase the supply of resources and the capacity to transform the managed resources, and this must be reflected in qualitative or quantitative increases of the resources themselves and their transformed products.

The mandate is a desire shared by all social actors and therefore, when attacked, social actors recognize that aggression and interpret and apply the laws and regulations designed to defend it, to achieve the objective of increasing the capacity to transform and the supply of resources. In societies where the above occurs, there is an intangible we call the social mandate. In cases where this attack is not within a legal framework, it clearly allows social judgment of these actions to arise.

Example: a mandate can order to protect the lifestyle of a country (American lifestyle, French lifestyle), not to threaten its survival (Japan), to protect its survival (Israel). In the absence of a clear social mandate, we propose global wealth, since this mandate limits the freedoms of social actors, is easy to understand and transmit.

The lack of a mandate inevitably makes us vulnerable, since there is no frame of reference to recognize the diseases of growth (cannibalism, intellectual dishonesty, and corruption) and act accordingly.

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Why there is growth and development

The explanation we give is based on the objective of satisfying human needs, which according to the economic stage in which society finds itself (prematerial, material, postmaterial) has a high degree of physical resources in satisfying its desires. Here the problem arises:

How does one access those resources? Given the existence of a monetary system, one inevitably has to pay with currency for the right to possess them. And the way to obtain that currency is through work in transforming the resources available or credits. Here arises the first condition for the possibility of greater access to resources, whether to consume or capitalize them: it is necessary either to have credit or the capacity to transform the availability of resources with our work and talent. And this increase in wealth resulting from this transformation and work, summed across all members of society, is growth and development. Unfortunately, in our country we have had the opportunity to have credit that generated an illusion of growth and development but did not have a counterpart in the capacity to transform resources either qualitatively or quantitatively. It is curious how that possibility of consumption without the counterpart of work and

talent was considered by many Argentines as a divine right, which guaranteed us access to hell.

The existence of a social mandate, on the contrary, minimizes the possibility of installing a fiction in society and, in the case of adopting global wealth as a mandate, facilitates growth and development.

How are growth and development safeguarded?

First of all, there is no growth or development when society is sick. We define social diseases as intellectual dishonesty, cannibalism, and corruption. As in medical practice, it is advisable to take indicators and perform analyses to define a diagnosis and its corresponding treatment. Our main indicator is the social mandate, and in the case of prematerial societies that do not have one, we propose global wealth as an indicator. It can be accompanied by a package of indices such as unemployment, consumption, confidence, definition of the interface point, etc. When these indicators show problems, one must observe which disease is causing them and act accordingly.

The postulates, the questions, and the conclusions

We begin this summary by discussing the postulates. It is important that the reader has a clear vision of how the external world is perceived, interpreted, and visualized, which requires caution in the proposed solution of these postulates. If this were not the case, one would be suffering from intellectual dishonesty. In many cases, in the logical framework that tries to explain this system, the author found that there were intangible assets in prosperous societies that were neither explained, analyzed, nor interpreted by the academic system. This led to giving a name to that intangible (social mandate). The fact that it has a name and a surname, assuming the interlocutor recognizes the existence of that asset, will allow us to discuss it and reflect on its characteristics.

From this, clearly understanding why the existence of this ingredient with all its characteristics, virtues, and flaws helped other societies improve the quality of life of their citizens and its absence hindered that of others.

The discussion of ideas and their confrontation is fundamental for the development of knowledge; the attack and defense of these ideas allows for a better understanding of the available proposals and the possibility of associating or discovering new solutions. Obviously, this is true when the objective of the parties is not to discredit the other but to build a solution to a problem (fundamentalist stances seriously undermine the possibility of achieving this objective). Seeking to maintain coherence with the above, global wealth is proposed as the

social mandate.

If it is accepted that prosperous societies have an intangible asset which is their social mandate, which is well articulated with growth and development, it can be assumed that less prosperous or pre-material societies are in this stage due to the lack of it, or the impossibility that the mandate they propose is coherent with growth and development. There is no single explanation for the origin of these mandates since some arise from the need for survival (Israel), from the defense of a lifestyle (France and the United States), among others. And maintaining coherence with our postulates, it is noted that the definition of global wealth as the content of our mandate does not violate any of the initially proposed postulates.

As has been suggested, growth and development are functions of management. For this to have a positive result, it is proposed that administration and management be subordinated to the social mandate and that there be a critical mass of people aligned with it. These two ingredients strongly influence the work of administration and resource allocation, increasing the possibility of positively affecting growth and development. Having a mandate, a critical mass of people, and an initial availability of resources, it is essential to take care of the aforementioned factors. And what must they be protected from? Diseases. Their existence causes loss of resources, waste of opportunities, and inequity in their allocation.

That is why it is fundamental to detect and combat them. We believe that the existence of a mandate is one of the parameters that allows detecting the existence of a social disease and also allows interpreting laws and regulations in such a way as to punish actors who act against it.

Language

All this work is subordinated to the postulate that people speak as they think and think as they speak. Therefore, this requires generating and clearly explaining the concepts associated with each of the words we use.

An example that will facilitate understanding. It is globally accepted that there are developed countries and developing countries. This term must have been chosen because it is more elegant than defining them as poor countries and covers all the grays from extreme poverty in Africa to countries like Brazil or Argentina of medium development. But this term also carries a hope, which is that if one is developing, one day one will develop. In other words, this expression gives the impression that time is the variable that will allow development. And what we say here is that developed countries, equivalent to the

material term in our classification, are developed because they have accumulated a quantity of material and immaterial resources in people, companies, and the state that developing countries do not have. If a developed country and a developing (pre-material) country sat at a discussion table, the developing country would have to be clear that its possibilities at the economic stage it is in depend on resources. And that any negotiation with another country must be aimed at increasing their existence. Therefore, it seems much more sincere and coherent to me that instead of calling them developing countries, we call them "pre-material countries." And as such, in any dialogue with the environment, the focus must be on increasing the availability of resources. When talking about pre-materiality, the term also applies to people and companies. That is why it is very important that language clearly illustrates the problem in which that society is immersed: pre-material, material, and post-material. Each of these stages has its attributes, and it is very important to be clear about which stage one is in to achieve results that are functional with one's objectives.

Interface point, social mandate

The objective of growth and development is to enable the satisfaction of needs. Here arises the need to determine which needs must be satisfied. In this work, a methodology is proposed and it is stated that there are three economic stages: pre-material, material, and post-material, and there is an interface point where one moves from a two-dimensional system (material desires, income) to a three-dimensional system, whose third dimension is that of immaterial desires. The interface point is the place where non-material needs begin to appear associated with a certain income. Engineer Max Fernández states that there are social groups that share an interface point and propose a social mandate that is not functional with the country. For example: our middle and upper classes, with incomes exceeding five thousand pesos per month, generally believe in free trade, the absence of government in public services, the free will of supply and demand, a strong and solid legal and institutional framework, resource allocation based on profitability, etc. The reality is that when these groups had the possibility to administer their social mandate, it was not viable with a pre-material country like ours, since that entire liberal or neoliberal economic scheme turns out to be coherent with material societies but inconsistent in pre-material societies. Here arises the need to propose a social mandate coherent with growth and development. For example: if we say that our objective is to fight infant mortality tooth and nail, this would be a mandate that very few sectors of society would disagree with. If we say that we will defend the global wealth of our country, that is also a

mandate that very few sectors of society would reject or explicitly desire poverty for another sector or group.

In some parts of this work, premateriality is posed as a consequence of the lack of a social mandate; or in the case that the social mandate is not articulated with the growth of that state, at the stage it is in. This inclusive value is the challenge in the proposal itself.

Government system

The system we propose aims at the country's economic growth and development. And if it is in a prematerial stage, its main objective is to manage the greatest amount of tangible and intangible resources in order to increase its transformation capacity and satisfy the desires of people, entrepreneurs, and itself. To fulfill this task, either we are lucky to have a territory that contains all the resources, or we must obtain them from the rest of the world. There are very few countries that have the luck of being self-sufficient in all items. And if one is not in this situation, one must go out to obtain them in the market. This fight for resources is a constraint that must be overcome; it is a tool that allows putting in black and white the true objectives of all participants. And in this way, to take the most pertinent courses of action for our objectives.

In this system, a distinction must be made between career officials and political officials.

We must know that the main interest of politicians is to conquer power and then remain in it. Both situations, in a democratic system, require the people's vote. The entire system proposed here begins at the moment power is conquered. It configures a constraint on free will in the allocation of resources managed by the government. The government must work to satisfy the needs of social actors without losing sight that a large percentage of the votes will depend on this work and the social perception of its results. Obviously, the easiest path to guarantee them is determined by populism, handouts, and cronyism. But all these realities can be aligned or misaligned with growth and economic development. The system proposed here, by putting on stage the social mandate, its content, and the critical mass, forces a dialogue along with reflection to find a path that allows satisfying the needs of politics, society, and growth.

It is important to understand that administering a prematerial society, a material society, or a postmaterial society is not the same. The strategy in administration and resource allocation is different for each of these economic moments. A problem detected in the sources that produce the contents is that they respond to the needs of material societies. And when they are literally applied in our environment,

irreparable damage can occur. We call this problem transculturation. When a social mandate is established, it forces an adaptation of these contents so they do not go against it. That is why in this work many terms are reconceptualized to generate a language that, although not diametrically different from usual pedagogical terms, allows us to position ourselves in the situation where we consider society to be (prematerial, material, postmaterial).

I want to point out that material societies (United States, Europe). This is because their focus rests on materiality. And evidently, human beings need to resolve their survival need, and the way to achieve it when in a material stage is the axis to reach postmateriality. It is understood then that in materiality most people over-adapt to conquer that wonderful world based on the sensuality of objects. And evidently, the postmaterial problem becomes clear when, despite having reached those material standards, unhappiness, anguish, psychosomatic illnesses, drugs, or suicide appear. The resolution of the postmaterial problem should be the focus of prematerial societies since the consumption standards set in prosperous societies do not solve the social problems mentioned above and do not contemplate the balance between material and immaterial desires in social actors. Because they will have to assign and choose the paths that lead them more quickly to postmateriality. It is very unlikely that one can follow the shortest distance. But among the possible routes, one can always choose the one that brings them closer to the desired destination. That is why it is important to set this focus. Also, we consider that in postmateriality the costs of managing tensions over resource allocation should decrease, health costs should decrease, longevity standards should improve, and pensions that declare a person disabled despite their personality and vitality and their need for the pleasure of working or belonging to a social group should be addressed, thus potentially reducing pension costs. Taking into account the individual and not a chronological fact.

Returning to our prematerial situation, this work tries to show a system of economic growth and development for states and governments. In our system, we propose that both growth and development are a function of how resources are allocated and managed. For this allocation and management of resources to be functional with economic growth and development, we propose the existence of two pillars: that social actors share a social mandate, and that there is a critical mass of operators that allows them to ensure that public and private acts are coherent with the objective set in our mandate.

We have observed that in prosperous (material) countries, for some reason, the result of all the society's activity represented by the actors

(people, companies, and government) ends up leading to prosperity for that society, and that this is a consequence of sharing values, principles, and knowledge that are not necessarily written but are respected and enforced (social mandate).

Economic growth and development have been and are approached in different ways. Unfortunately, today there are no theoretical tools to define the origin and evolution of what we call the social mandate. So what do we do to overcome this gap? Here the idea arose to appeal to pedagogy, filling this need with content. The problem continues: with what content do we fill this mandate? We define three economic stages: prematerial, material, postmaterial. When a society is in the prematerial stage, any action to be taken, whether social, business, or personal, will inevitably require resources and must choose as content the global wealth. It comes to mean the offer of tangible and intangible resources we have to materialize the desires of our social actors. Furthermore, it is content that is not in contradiction with current academic knowledge and that by its definition can be easily understood by its members.

In pre-material societies, there is a struggle among all sectors for resources. Poor arbitration inevitably leads to a decrease in overall wealth. A problem arises: By what criteria is this situation arbitrated? The content of our commandment appears on the scene: global wealth. It is impossible to open a dialogue in which one participant tells the other that their goal is to seize their wealth. Thus, a more constructive issue arises: How can both parties increase their wealth? And in solving this new problem, technology appears, the imagination of entrepreneurs and government, knowledge as key factors. Here it can be seen how the content demands a more raw and frank message. The existence of a commendable content by itself does not guarantee the success of our objective. Since in the act of governing (administering and allocating) in a society there are millions of social actors over whom resource allocation must be arbitrated with the satisfaction of their desires, this problem generates a significant number of situations to resolve, and that number of situations is proportionally related to the number of officials who must manage them. And there is a minimum number of officials that allows this administration in a timely and proper manner. We call that number the critical mass. Its absence inevitably becomes a breeding ground for growing pains (cannibalism, intellectual dishonesty, and corruption).

What happens when a minister arrives at a Ministry with three or four trusted people? They can manage their agenda, possibly take the most important files under their charge and follow up on them personally, but surely there will be countless situations that must be resolved by the Ministry's employees. The scenario described above

works when there is an abundance of resources in the system and all situations are favorable. When the environment becomes more conflictive and adverse, it becomes necessary to carefully resolve countless situations. The weakest actors are those with the least capacity to withstand adversity and arbitrariness. They can be likened to babies in an incubator who, if not monitored, will hardly survive. This is where our two concepts reappear: critical mass and mandate. With these two elements, it is very possible that our minister and their five trusted employees can attend to and care for all the incubators, overcoming the epidemic that arises.

If things such as the national, provincial, and municipal governments sharing the content and their respective critical masses of personnel and leadership acting quickly and coherently in the set direction were achieved, countless projects involving these institutions would become viable and allow development and growth opportunities for the entire society. Example: In Argentina, there is a hydraulic network (Matanza Riachuelo), which is completely contaminated, passes through several municipalities, and the rivers are national. For years, this conflict has not been resolved due to the struggles of interests and costs at stake in each of these institutions (loss of jobs, investment in industrial liquid treatments, etc.). If the entire leadership structure of the different municipalities and national government shared an urban development objective, an objective to minimize the health costs caused by the contamination of this river, and the objective to allow real estate development on its banks, possibly instead of apathy (intellectual dishonesty) prevailing, pettiness (lack of will to make investments), and intellectual dishonesty regarding the health costs to people near the river would force this problem to be addressed and improved as much as possible.

As we can see, the existence of a social mandate (global wealth) takes on a leading role in the administration and allocation of resources. For example: Japan is a society aware that its survival depends on its work. It has no natural resource that allows it to live without working. That is, in our definition of operational wealth (available stock plus transformation capacity), the only term they can substantially improve is the capacity for transformation. And as we explain later, in this term lie education, health, resources per job, design, development, technology, innovation, creativity, etc. Therefore, it is logical that a society without resources and with a high economic standard allocates and manages resources in pursuit of the above.transformation) the only term they can substantially improve is the capacity for transformation. And as we explain later, in this term lie education, health, resources per job, design, development, technology, innovation, creativity, etc. Therefore, it is logical that a society without

resources and with a high economic standard allocates and manages resources in pursuit of the above.

The fact that this mandate exists in society would also allow for more equitable commercial links. For example: the relationship between industry – supermarket or society – financial system. Again, in the links between these social actors, if both shared the concept of global wealth, they would seek a path that favors the growth of both. Example: Wal-Mart, at one point, had a retail supermarket and on the same premises, a wholesale supermarket. The author had the opportunity to negotiate the sale of goods in both stores. The discussion in the retail supermarket was about price, which means that if the price is very low, many more units must be sold to obtain the same profit since the margin is reduced. And a low price implies the need to manage large volumes and the risk that if demand decreases, the system will not hold. The wholesale sector raised the circumstance that their clients did not want to buy one product at a time but in quantity; finally, work was done varying the quantity of goods per sales unit and the price. A result was reached in which both parties benefited. This effort to study and analyze the market made between the Sans Club buyer from Wal-Mart and the company where the author works was unprecedented. Generally, all negotiations with this type of distribution chain end up being unilateral and harmful to the supplying company. But there was an example in which we could work toward a common goal that benefited both. There was effort against apathy, administration against negligence, humility against omnipotence, reflection and the search for wisdom. With all that has been presented, it can be seen that if the company's management educated on the concept of global wealth, possibly another official from this or another chain would have had the same behavior as that Sans Club buyer from Wal-Mart on that occasion.

This work understands that a large part of the political problem in pre-material societies is managing the conflict between social actors. Obviously, this can be resolved by managing forces (power) or by adding content. Managing forces does not guarantee growth or development and generally accumulates tensions, which when released threaten it. On the other hand, the existence of shared content in society reduces tensions because there is an explanation, a common objective, a constructive dialogue.

Enterprise system

The system proposed in this work aims at the growth and economic development of the enterprise. And it exists within a pre-material society, therefore, its main objective is to manage the greatest amount

of tangible and intangible resources in order to increase its transformation capacity and satisfy the desires of its customers and the goals of its entrepreneurs.

Our enterprises, as we have already said, compete for the provision of these resources with the government and individuals. Therefore, their external limit will be set by these other social actors. It is important, as a standpoint, to acknowledge that these limits exist. There are also internal limits, which relate to the capacity, creativity, innovation, knowledge, and personality of our entrepreneur.

As explained earlier, growth is a function of resources plus their management and allocation. The government and individuals compete for the availability of resources. And the entrepreneur's capacity is strictly related to the management and allocation of these resources. Why do we make this obvious statement explicit? The material world, which shapes content, denies the existence of material constraints and focuses on the attributes and capabilities of the entrepreneur. Here we again encounter a phenomenon of transculturation. This stance is correct if the country or society in which we operate is at a material stage (an almost infinite supply of financial tools and resources: credits, stock issuance, venture shareholders, etc.). When we are in societies at pre-material stages, the struggle also involves access to resources, regardless of the project's attributes. For example: in a material society, the most profitable projects are supposed to receive support to be implemented. In a pre-material society, possibly the one with the best contacts or the most influence ends up having this opportunity. This is so, provided the social mandate does not intervene. The mandate, with the content we propose, holds that resources should go where global wealth is maximized. Because in a pre-material society, allowing the increase of wealth in one sector at the expense of another is, for us, a disease that prevents growth. And given the precariousness of our universe, we cannot afford this slip.

Having understood the environmental problem, let us look at the problem within a company. Inside it, there is also a struggle over how and by whom resources are allocated (production will want to build buildings, treasury will not want to because it has to pay for them; sales management will want to advance billing to meet targets, administration will be upset because it will have to advance taxes). As we see, here again appears a cluster of interests that may be aligned or misaligned. And generally, when they are misaligned, they do not produce growth. Let us apply the concept of global wealth to all our sectors. Each one will have to evaluate how much the global wealth of the company improves by the chosen allocation strategy. Obviously, the path that maximizes the company's wealth will be chosen. It is important to note that in our definition there is an intangible, the

capacity for transformation. This will allow us to seize opportunities that are not always reflected in conventional analyses. The existence of our mandate must help reduce tensions between different sectors since all seek the same goal. It must improve resource allocation, reduce the costs associated with conflicts between sectors and the ego of officials. Because these two factors will be subjected to the judgment of global wealth. Thus, if they do not take the effort to align those interests with global wealth, selfishness, neglect, disinterest, superficiality quickly become evident, helping to judge the performance of each of our officials.

In our system it is also essential that the signing line and the command line understand these concepts (critical mass), share the objective, and once all positions are reconciled and the path deemed best for the company is chosen, everyone is aligned with that objective. As can be seen, in the growth equation, critical mass contributes the most to management. The mandate and its content are the spirit in the resource allocation analysis. Thus, our system for the growth and development of the company is defined.

Person system

The system proposed aims at satisfying the material and immaterial desires of individuals. It should be noted that in this satisfaction of desires there is an initial stage in which the word “desire” can be replaced by “needs.” And as these needs are met, one reaches the interface point where material and immaterial desires begin to coexist. The pre-material stage ends at the interface point and is more associated with needs than desires. From the interface point, one can choose different paths: the material path, the post-material path. In prosperous societies, the post-material path has not been implemented. And in it, each person seeks to find a balance between their material and immaterial desires. Obviously, to satisfy these desires, people offer their time to society (work). Our mandate must serve to manage and allocate that time, improving quality and its valuation thanks to the capacity for transformation. An example of available time: part can be assigned to work, another to study, and another to leisure and family. And how one works and what one studies contains the capacity for transformation, which will allow the individual to obtain the best valuation of that time. One of the differences between people and companies is that companies can improve the quantity and quality of what is produced. In contrast, people have a finite amount of time.

This mandate will allow us to have a constructive language with the other social actors: government and enterprise. And it will allow us a

better understanding in the allocation of savings. It is important to understand that if we are in a material stage, the value of our mandate must incorporate immaterial desires (study, communication, emotions, perceptions), which will allow us to feel satisfied and complete.

* * *

Chapter 1
Why are growth and development necessary?

Why is a system of growth and development necessary?

A logical question is why there has to be economic growth and development if both could not exist. To address this topic, there are several alternatives. In this chapter, it is chosen to start with the following question as a trigger: What do people need to live? Inevitably, the answer is resources. How are these generated? By what is possessed, plus what is being done, plus what is produced by growth and development. This is inevitable and circular: the world population is constantly increasing and therefore, there is a parallel increase in the demand for material needs (resources) that must be accompanied by an increase in their supply.

What social needs exist? (Census and results)

What does it imply that there are needs to satisfy? This is a topic that deserves to be investigated a little more deeply. INDEC, in Argentina, works with terms such as "unsatisfied basic needs" or "poverty index," and the reality is that these are arbitrary parameters taken from an assumed model of people's consumption. In this book, society (people) is divided into three stages: pre-material societies, material societies, and post-material societies. This classification arises from a survey that must be conducted. It consists of asking people, and the surveyed companies, what their desires are and then relating the answers obtained to their respective incomes. It is assumed that in a pre-material society what people need to achieve happiness are resources such as food, housing, clothing, mobility, health, etc. In contrast, in a material society, needs such as having a better car or a weekend house begin to emerge. Finally, in the post-material society, having already found satisfaction for their material needs, people seek to satisfy their immaterial desires.

In today's developed world, the basis of marketing consists of selling the idea that with more resources the individual will be happier,

when the reality is that those societies should form more people capable of reaching post-material stages. Notice the number of famous and wealthy actors who are seeking their post-material path in Asian cultures, in religion; it is thought that this path is the consequence of a pedagogy based on finding what allows each particular student to achieve balance between their material and immaterial desires. And to accomplish this, it is not necessary to go to India or other countries but simply to carry out inner work helped by an institutional pedagogical context and a change in social values that aligns with people's material and immaterial desires.

The truth is that this dilemma has not even been raised at the pedagogical or institutional level. This lack results in a high rate of mental illnesses (many of which end in suicides, depression, drug addiction, alcoholism) in material societies.

Within this work, this term refers to the place where the transition between needs and desires begins. Example: if a person earns five hundred pesos per month (and with that has to feed their family), surely, when asked what they need to be better off, the answer will be a higher salary to properly feed their children. Pre-material situation (need). If, on the other hand, a person has a good monthly income and wants to eat sushi every day, have a weekend house, or a bigger cruise ship, this is a material situation (desire). If that same person responds that they need time to study, to paint, to do some activity that gives them pleasure, or to work on a topic that interests them, that is a post-material situation.

The interface point can vary for different people: a Buddhist monk with one hundred dollars per month eats and has found his balance between material and immaterial desires, reaching a post-material situation. Likewise, there may be a man who has his family, his job, his barbecue every Sunday, and with that situation has fulfilled his material and immaterial desires and does not want anything more. Again, a post-material situation. It is important to introduce here the theme of the vision of the other, of otherness or the different. Imagine a primitive society in which with income equivalent to one hundred dollars a family satisfies its needs at that income level. Then a first-world citizen approaches and proposes monetary stimuli, social success based on results. Surely, that family will perceive him as an alien, since the distance between the interface point of that society and the interface point of material societies is vast. For all cases similar to this, there are two possible solutions to the problem: brute force, that is, proceeding to invade and subjugate them (dictatorships fall within this option) or citing Vygotsky and Ausubel and working with pedagogy seeking that people in that primitive society become more aligned with the desires posed by the material world and from them generate

change. This path is slower but it prevails over time since it is not accompanied by blood or violence. Implicitly, what has been developed here brought with it the concept of critical mass. If there are potentials oriented in the desired direction, society can be guided in the direction that is functional to the rest of the world.

Many economists argue that there is greater development in societies with less inequality in income distribution. This aligns with what has just been stated: when there is a large difference between the incomes of a population, those with lower incomes find different interface points than those with higher incomes, and this distances them from being functional with the system of the latter. A practical example: a social group has incorporated living in precarious dwellings, coexisting with diseases such as Chagas disease; for that population this is normal and the mere fact of improving their diet and having a television already finds their interface point. When in reality, the system needs greater labor and systemic commitment.

The interface point is not fixed. When people reach it but the system gives them possibilities for improvement, their needs slowly increase. That is, this point is dynamic; therefore, it must be measured constantly.

Each interface point is associated with an amount of resources to be provided by the system. Therefore, those resources continuously increase in quantity. This is currently happening in China; before individuals worked for rice and now they work for a salary. This issue is reflected in that country's global demand for resources from the world.

Now, we are in a position to outline in detail the characteristics of the three types of societies previously defined.

A prematerial society is one in which 80% of its members have unmet material needs. This society is characterized by the fact that its needs are fundamentally for material goods, and their satisfaction is, therefore, also material. In prematerial societies, the most frequent aspirations are expressed in phrases ranging from “I wish I had enough so my children can eat and go to school” to “I am content with a house with a solid floor that doesn’t flood so my children don’t get sick so often.” Surely, for those who aspire to satisfy basic needs, the gap between their actual income and the income needed is much greater than the same gap for those who long for material satisfactions that are not essential for life. But both remain in the position where the responses to their needs are material. Latin American, African, and many Asian societies, with the exception of Japan, are examples of prematerial societies.

A material society is one in which 80% of its members believe that increasing their material resources would bring them happiness. The

most important demands they make for happiness are for goods of a more symbolic nature, such as those related to comfort, luxury, and the sophistication of aesthetic and intellectual experience.

A postmaterial society is one in which 80% of its members have found a point of satisfaction between their material and immaterial desires. It is filled with concerns whose satisfaction no longer depends on anything external to the individual, nor on something that can be bought, rented, or borrowed. Questions such as “Why am I not satisfied with my life?” or “What is it that I really want?” gain strength. These are questions that place us at crossroads where we believe postmaterial societies should help each individual find their answer and, therefore, a balance with their desires. And particularly, we believe this path is educational. Usually, the effort to make these decisions is high because reaching the goal is a constant work between oneself, oneself, and the environment. For those who dare, life becomes exciting and challenging—in other words, more interesting.

If we find ourselves in a material society and we are at that stage, various combinations of material and immaterial desires are possible. We will exemplify the two extremes of these combinations: one, seeking to satisfy only our material desires: clothes, travel, a new car, or what we believe would elevate us spiritually, for example, consuming works of art; the other, navigating better or worse the rocky path of seeking balance between our material and immaterial desires at any cost. More consumption or more experience? The postmaterial society puts us on the path of abandoning the condition of being a hostage to the system to begin dealing with the weight of freedom. This is the point of human development where it is possible to attain wisdom and focus on satisfying what we desire.

At the postmaterial stage, for the first time the saying becomes true that the rich person is not the one who has the most but the one who, after having experienced the value of things, needs the least. Frugality is a virtue only for those who have. Extending it as a value to those who still do not have their material needs met is a sign of foolishness.

Whatever the stage a society is in, individuals at all three stages always coexist within it, in varying proportions. This is natural, and therefore an inclusive attitude must be adopted to allow the coexistence of all people.

By way of conclusion regarding what has been addressed here, it is maintained that initially one must always try to satisfy the social interface point, which has nothing to do with the basic basket or the poverty index, but depends purely and exclusively on each society and its reality. A concrete example: it could be said that the minimum

calorie need consumed by a person who works per day is fifteen hundred. Possibly, with carbohydrates, this is easily met at a very economical cost, but if a diet containing proteins is not also provided, that individual will be less developed and have fewer intellectual possibilities. Following this reasoning, one can find a society where its interface point is associated with a low income, given that it accepts satisfying its food needs with carbohydrates. From that reality, efforts must be made to improve its quality of life. This, of course, from a constructive educational stance. The same case from a populist perspective would be solved by renting for one hundred pesos per month to a large part of the population, thus placing them at their interface point.

How is the stage of a country defined? Definition of stages of a society

For the purposes of this work, let us define society as the sum of social actors: individuals, companies, and the state.

Within societies, the three stages coexist (explained and developed in previous chapters) and in different percentages. We can say that a society where the majority of people are at the prematerial stage is a prematerial society. And it is important to point out that in the remaining 20% there are people in material and postmaterial stages.

A material society occurs when the majority of people are in the material stage. Let us analyze societies. As we have said, a society is the sum of the three social actors. So, if this sum is taken in absolute terms, it could be assumed that the people are in a prematerial state, the industry in a material state, and the state also in a material state. This would mean a highly automated industry, a state with good infrastructure. Is it possible to sustain a society with this degree of asymmetry over time? No. An example of this was the USSR, where great efforts were made to achieve good infrastructure and industry, and much of this effort was made at the expense of the consumption of the Russian people and the sacrifice of private initiatives. Evidently, that model did not work. It may have been valid at a certain moment when the USSR was very behind the West and under Stalin quickly improved its infrastructure, production, and technology ratios. But if those ratios do not produce spillovers to the population, growth ends. Here we take a position and believe that within some tolerance margins, the material evolution of social actors must be harmonious because very large imbalances over a long time are not tolerated by the system. From this, we can say that a state is prematerial when the

80% of its industries are pre-material, when 80% of the people are in a pre-material stage and when most of the activities that the

government would have to carry out lack the resources to do so properly.

If we consider a matrix in which one variable is companies, people, and state, and the other variable is pre-material, material, and post-material, we can see that there are combinations that are possible, for example, a material state with pre-material companies and people. A material state with material people and post-material companies, etc. Any combination that is not homogeneous across the three levels leads to imbalances. It may be that these imbalances, well managed over time, allow an improvement of the system as a whole. Example: if in a clearly pre-material society, credit is accessed and invested in improving State management. Thanks to this improvement (the State's capacity for transformation), laws, regulations, and controls are enacted that enforce a more rational use of resources, and thanks to this, a surplus is generated that allows housing plans, increased productivity in industries, etc. As we can see, an imbalance occurs in one sector and this allows an improvement in the entire system. Unfortunately, if these imbalances are not controlled and managed efficiently, what was successful becomes a disaster with uncertain costs.

What satisfies needs?

Returning to the starting point of this chapter, it is postulated that needs are satisfied with resources. They are classified as consumable, available, usable, and intangible.

Consumables are those that people need to maintain their functionality as human beings, namely: food, electricity, among others. They are also indispensable for companies and for the State. All actors in a society consume this type of resource.

Secondly, available resources. If what comes in is greater than what is consumed, that surplus constitutes the available resources. In other words, these are resources that can be freely used without the risk of lacking what is needed to satisfy basic needs if they are lost.

Finally, available resources can remain indefinitely as such or be invested in usable resources. These latter are, for example, a house, a car, a factory and its elements, etc. This is important because many times one possesses many usable resources (a person is rich) but the reality is that since these cannot be eaten and are not easily liquidated, one can starve. This is what is called a “poor rich person.” It is very common in society for people to mix consumable resources and usable resources within the same wealth, and tend to confuse them with each other.

All resources are the result of the effort of society as a whole, and

without that joint work it is impossible to produce them and then make use of them.

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Chapter 2
When is there growth and development?

When do growth and development occur?

Basically, for the question that serves as the title of this chapter, the instant answer that appears is the idea that growth is a function of how social actors allocate and manage the resources they possess, and although this does not guarantee growth, when the restrictions of the social mandate and the critical mass are added to this equation, we begin to have certainty of growth and development. For this book, as already mentioned, the content of that mandate is global wealth.

Who are the social actors?

Immediately after answering the previous question, another equally or more important one arises: Who is responsible for managing growth? It is worth noting here that there are two social groups: those who, by managing resources, affect all social actors, and those who manage their own resources. The first segment is represented by the State and companies; while the second consists of individuals. Based on this classification, responsibility regarding the phenomenon of growth will be distributed on a scale based on the amount of resources each social actor manages. Therefore, leading the ranking will be the government, followed by companies, ordered according to their respective incomes. As a principle, it is true that companies have the right to make money, but this should not affect the overall growth of society (here the mandate appears as a guide in the actions of one sector with respect to others).

How do social actors act?

Social actors, in order to achieve their objectives, naturally seek the path of least resistance or minimum effort or minimum allocation of resources; this attitude can be successful in terms of each of them, but it can have disastrous results for the system as a whole.

Obviously, not confronting the individual objective of each actor with a vision of the system as a whole is the simplest and easiest path, but

once a mandate is established in society, it is inevitable that the actor participates in the implementation of the strategy to achieve their objectives without opposing the social mandate. This would lead the actor to reconsider the implementation strategy, which is a more laborious task. But with much more successful short- and long-term results for both the actor and the social whole.

What factors affect the allocation of resources?

Continuing with the development of the topic, again a question arises: How does each of these operators affect growth and development? It is inevitable that an action by one of the social actors affects the others. This relationship is inevitably conflictive. Because having to recognize the existence of the other and their needs is a limitation on one's own degrees of freedom. And here again the social mandate appears as an integrating balm, which is what will allow us to resolve this conflict constructively. To illustrate this hypothesis, an example will follow. In general, large companies are positioned in the production of commodities (materials) and their commercial link with the processors (those who transform raw materials) is strongly oriented toward protecting their profitability. Profitability can be achieved by raising prices, lowering costs, or a combination of both. So as a first stance, a company that produces a commodity aims for the international value for its product. If the local market demands this product and cannot pay for it, that is a way of exposing its poverty. Example: the export of meat from our country. Being this a strategic resource and a dam against social problems, the way the problem is addressed by both the government and producers has no possible solution. Unless global wealth participates, in which case the proposals would be: colonize arid Argentina, quadruple the livestock stock, promote the consumption of cuts that are not valued abroad. And in this way, the retention that the producer is paying to maintain an affordable price for the domestic market can substantially decrease by being spread over a larger export volume. But for this to happen, the government must guarantee the delivery of water through canals or conduits to all fields to be colonized. With just this investment, it can be guaranteed that the livestock stock could be doubled. To quadruple it, roads and rural electrification would also have to be added. But the negotiation proposed in these terms never existed. Politicians always defended the strategic price of meat and producers and exporters demanded the international price. There was never a dialogue, nor a common objective. The result is that the livestock stock, as far as I can remember, is the same or decreasing. In a world that must have increased its population by about two billion inhabitants and where the main future food deficit is protein. Another issue is the setting of local

prices; if a processor needs a raw material, they have two options: either import it or buy it from the local producer, who can manage their pricing strategy as follows. Either sell to the processor at the international price plus all nationalization costs or sell at the FOB price, which is the price they could export at. This cost difference affects the productivity and competitiveness of the processors. And generally, our raw material suppliers position themselves at the indifference price compared to the imported product. But this stance is a situation of anthropophagy because, taking advantage of their strategic role due to location, they increase their profitability at the expense of the competitiveness of the local processor.

This stance is functional to their profitability but not necessarily to the economic growth and development of that society. How can this discussion be posed? One option is to tell the manufacturer that the price of their product is expensive, to which they will respond that they are paid that abroad and why should they sell it cheaper in the domestic market. The other stance assumes that the price includes import costs, then the manufacturer, when faced with the argument that the domestic price is higher than the international one, will respond: if you don't like this price, bring it yourself and you will have to bring a full container with a bigger investment than if you ask me for what you need.

As we see, the responses of our large company are logical and our processor is left without arguments to negotiate a situation that allows them to have good profitability and with it equip themselves and improve their products. Now let's think about this dialogue with the social mandate. And make the government responsible for protecting it. Then, other solutions should appear that allow resolving these disputes while minimally affecting the results of both sectors. Getting out of this dialectical quagmire is the government's responsibility, which, through the interpretation and generation of laws and regulations, can change the relationship between this raw material manufacturer and their processors, leading it to a virtuous situation in which both grow. For example, condition their profitability in some way through a tax or financial benefit that is realized when these companies discover, develop, and improve the transformation capacity of their clients (quantity and quality of products made with their raw materials).

In many SMEs, which are direct clients of these large companies, their owners are workers whose daily struggle to survive, reduce costs, collect payments, etc., takes away the necessary time to study and understand new production processes and their associated technologies. Knowledge they are obliged to have since the product strategy of these companies is defined by this knowledge. Example:

suppose there is a machine that stamps sheet metal and has a productivity ten times greater in quantity and thirty percent better in quality than the previous technology. But this technological success was not achieved solely by the machine manufacturer; it required that the raw material used by this device meet deformation and hardness levels different from those previously used in the market. This will force the large company to produce this product with these new specifications. And since the increase in productivity, quality, and quantity is so significant, it will be able to charge a higher price than the historical product. In this case, the absence of the social mandate would allow these large companies to resolve their commercial management through export. But if the social mandate delivered by the government appears, boundary conditions could be generated that force the company to develop, improve, and help transfer technologies and knowledge to its processors. In the long run, this will result in greater stability of the internal market and greater price stability (they will not be affected by international fluctuations).

The government, as a major resource operator, is responsible for the use of these resources and what happens with them.

The areas where decisions are made are responsible for ensuring that these decisions help fulfill the social mandate (increase available stocks, transformation capacity, and overall wealth). For example, suppose there is a crisis and the government uses the taxes it collects to pay social assistance plans. The beneficiaries use these plans to feed themselves. As a result of the strategy taken to assist the inhabitants in this crisis, a "sewer" effect will remain: all those people ate, defecated, and nothing was left. Imagine that same decision influenced by the social mandate. Here too, help is given to lower-income people, but they are required to study ortrain in some task through companies aligned with the assistance plan, and in this way, we gain greater transformation capacity or the collaboration they added to the products made remains. If we take a global view, in one case nothing remains, in the other, more resources or more transformation capacity remain. From the social actor government's perspective, the cost of one plan or the other is the same, so it makes no difference which path is taken. What is the difference between these two attitudes? Getting people to study and work is more work for public officials. But in the long run, inevitably, that care for overall wealth will imply an increase in tax collection and therefore a greater possibility of improving their income. This comfort of the official in managing the crisis is what we call intellectual dishonesty, since the official addressed the social crisis but did not care for the medium and long term, which is also part of their responsibility. Because their solution works as long as there are always resources to assist those

affected. The day those resources run out, a social crisis will occur, since those inhabitants accustomed to living with that meager aid were neither trained nor prepared to generate their own livelihood. Thus, something that began with a clear humanitarian sense ends up causing a social crisis.

For example, the Ministry of Education defines the teaching materials used year after year. With the same effort, or perhaps increasing it only minimally, standards and content could be proposed that turn the Argentine publishing system into an export product for the Spanish-speaking world. In this way, local publishers would become larger companies. Note that this would be carried out simply by raising the standards of the product offered. For this to be implemented, it is necessary that the officials of the Ministry of Education share the mandate, use it as a guide when acting, and strive to generate growth situations like the one proposed here.

One of the fundamental resources a country has is human resources. Again, it is the Ministry of Education that should have early detection programs for great talents and plans for their development. Without a doubt, this will translate into economic resources and future possibilities for the entire nation. In France, children who achieve high grades during secondary school are then sent to the Grand École, a place where leaders emerge with an intellectual and technical dimension that allows their country, besides standing out worldwide for its wines and cheeses, to also excel in the manufacture of the Concorde or high-speed trains.

One school of thought believes that the government should only ensure matters such as education, health, justice, and security for its people. The rest of the decisions should be left to the market. For this book, as already mentioned, the government is one of the main resource administrators and as such must not only take care of the functions already detailed but also a fundamental issue: generating the necessary regulatory frameworks that allow, through correct resource allocation, opportunities to be created for society. The SME secretariat and the university should be places for detecting potentially talented entrepreneurs, then helping them develop and leveraging them to develop and integrate into the industrial fabric, thus allowinggreater transformation capacity. An Argentine entrepreneur who manages to keep their small business alive deserves special attention since, with the few resources they manage, they have been able to make all the strategic decisions that allowed them to survive the recurrent crises that the country has produced. Example: suppose I sell umbrellas and have a stock of one umbrella. I sell this to The King of Umbrellas, and a market crisis arises. This gentleman tells me he will pay me in ninety days instead of cash, so I stop working for ninety days because I need

to collect payment for that umbrella to buy the raw materials to make the next one. Now suppose I have ten umbrellas in stock and he makes the same proposal; since I have known him all my life, I tell him no problem, I keep giving him umbrellas, and he will pay me when he can. In the previous example, a demand crisis was posed, and the SME entrepreneur had to face it. Here two situations are seen: the first is that having more resources available allows managing more strategies. And the second is that our SME entrepreneur had the talent to value his client's credit and preserve it until the crisis is overcome. Our second solution involved an entrepreneur who knew how to accumulate and protect the market in a given situation. These talents, among others, are what the system should know how to detect, value, and support. These attributes will allow further development and continued growth. This work of discovering, fostering, and helping potential talents is neither developed nor outlined; however, it should constitute a basic principle in the allocation of resources of these ministries.

One question to ask is how a small entrepreneur can develop their business idea on a multinational scale. Obviously, to achieve this, resources must be aligned behind that entrepreneur. Again, for this to happen, a regulatory framework is needed for the allocation of credits, for the entrepreneur's venture capital acquisition, for the taxes they will pay, etc. If this entire regulatory framework is consistent, our entrepreneur will manage to have a multinational company. Let's give an example, and the good thing is that the entrepreneur we are talking about could have been in Argentina or anywhere else in the world, and what they proposed is a commercial concept that, to carry it out, did not require great technologies. It is Blockbuster. Not being a high-tech company, it is multinational in the United States, and here it would have barely survived the country's economic vicissitudes. From this, it follows that there is something in the capital orientation system that is left to chance when it should actually be part of a strategy.

Conceptual errors have been dragging on that constitute part of the problem. For example, it is assumed that there is a budget to be awarded to SME entrepreneurs. The official who must do this earns five hundred pesos a month, so they believe that by giving thirty thousand pesos to an entrepreneur they are doing them a great favor, when in reality in Europe and Japan for a competitive position they talk about between eighty and one hundred and ten thousand dollars per employee. The problem itself is not giving the thirty thousand pesos but how that entrepreneur can manage the resources. This dimension of thought and parameterization is also not outlined. No worker who only has a screwdriver will be able to have productivity that allows billing one hundred million dollars.

Recapping what has been presented so far, for growth it is necessary the generation of opportunities through the definition of standards and the transformation of existing ones. The detection of talent and the creation of a regulatory framework that facilitates the fact that they manage their own resources is fundamental. It is also important that public and private investment be seen as an opportunity to develop products and technologies that can be consumed by other countries. Finally, the purchase of goods by the State and large companies also generates market development opportunities.

In Argentina, it is often thought that aid to entrepreneurs constitutes a privilege. This is true if it is not accompanied by any counterpart. Possibly one cause of what has happened in the country has been that. Of course, there are exceptions; in the energy field, the development of atomic energy allowed the emergence of companies like Shefferson (valve factory). This was possible thanks to Jorge Sábato, who maintained that the standards of each industry (automotive, aeronautical, nuclear, chemical, etc.) generate worlds of opportunities.

It is difficult to transfer investment in research and development to the market. But it is essential to know, study, and understand the knowledge that is being managed and developed in the world. Argentina has very good technicians and researchers; it could also be an excellent country to complement research from countries capitalized by the costs they handle.

The issue of research and development, with all that it implies, has been approached from four different strategies around the world. The first is the Italian, where a people with two thousand years of culture have developed a sensitivity and an almost Renaissance recognition of their entrepreneurs that keeps them at the forefront of technology. Notable examples of this are: Ferrari, and the manufacture of machines and tools. The second is the German (the GTZ), where institutes were created that receive entrepreneurs with some merit who have production or technological problems. There they align behind their issue until it is resolved in exchange for a percentage. In Argentina, this path was attempted through INTA and INTI; the first worked, and the second did not enjoy the same luck. The third strategy is the American, where there is a scientific-military-university complex and through it there is an important transfer of technologies to companies that in turn subsidize the institute. When asked to develop a supersonic military plane, its cost (several billion dollars) is paid by the American government. But that knowledge can be extrapolated to other developments, and the development cost has already been amortized previously by the State. On one occasion, I was with a gentleman who works in Silicon Valley, in a microprocessor factory.

They had been asked to develop a very high-speed chip with resistance to gamma rays to be used in an intercontinental missile. The development cost hundreds of millions of dollars for a production of thousands of units. Because what was actually charged was the development and implementation of it. Then, lowering the standards, they ended up having an advanced product in which the development cost had already been amortized. The last of the strategies is the Japanese, where applied careers were developed. The professional in those careers speaks the language of the scientist and the entrepreneur, thus acting as a bridge between these two worlds. Efficiency and possibilities are clearly facilitated.

To conclude, we can see from the previous examples that to implement these proposals it is essential that the analysis of resource allocation be imbued with the social mandate (global wealth) and that their management have a critical mass that allows the use and allocation of them to have the greatest rationality and not be affected by the diseases of growth. We consider that the critical mass in Argentina should be one thousand officials with structural thinking, thirty thousand with behavioral training, and three hundred thousand entrepreneurial businessmen who understand that their profitability is sustained by going in the right direction.

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Strategic decisions and stage

As we have said, societies, companies, and people can be in one of these stages: pre-material, material, and post-material. What must be clarified is that if a society is in a pre-material stage, its companies and people are not necessarily in that stage. Possibly a percentage of them are in material or post-material stages. What we will try to explain here is the relationship between the problem of each stage that automatically sets the strategic decision to follow and the understanding in the link with the other stages to have an action that allows communication to materialize in the development and growth of all.

In a pre-material society, there is no doubt that the strategic decision is to increase the existence and availability of resources. Unfortunately, when we find ourselves in these situations, there is a struggle among social actors for resources and another struggle based on which administration manages public resources in the government. The path that a pre-material government with scarce resources should choose is to try to transform every public and private act into an opportunity to increase global wealth. For example: a significant number of foreigners are treated in our hospitals, especially from

neighboring countries. It could be said that there are organized tours to come and receive care in the Argentine public health system. Faced with this reality, one might get angry and prohibit the care of foreigners, might prevent their entry into our country, etc. Another reality that must be accepted is that historically the possibility of controlling the entry of foreigners and preventing them from being treated is almost nil. So what a Ministry of Health of a pre-material society with the concept of global wealth would do is try to ensure that this mass of people who engage in medical tourism leave the greatest amount of foreign currency in the country and that it is enough to cover the costs of their therapies, human resources, etc., at least. All these strategies, which at their core prevent us from spending physical and human resources on citizens who are not Argentine, could also be seen in another way. The other way is to consider our health system as a product with a market in neighboring countries, which therefore deserves to be compensated in the best possible way. Then fees can be imposed on foreigners (charged in hospitals), a minimum health insurance can be charged to all foreigners entering the country, only people staying within a radius of 5 blocks from the hospital can be authorized for care, allow the cooperative of these hospitals to charge a fee to these patients and in turn better compensate the doctor, etc. As we can see in this example, from a loss we move to making a business, and if we want to keep dreaming, we could offer health services to neighboring countries in exchange for markets, raw materials, etc. As we have said on some occasion, in a pre-material society no public or private act can be associated with waste. Because those resources will always be fundamental for some other social actor. The challenge is to try that with the resources available, and with the allocation that politicians make of them, more opportunities can be generated. A commendable example is the Tango World Cup held in Argentina. This event generates tourism, consumption, etc., and luckily someone thought of doing it here; it would not have surprised me if some American company had organized the same event in Las Vegas, thereby appropriating something inherent to our country and it would be like watching how one of our intangibles becomes the heritage of others. On this same topic, we can think that part of the City Government's budget that goes to Culture, Tourism, Education, Historical Monuments should align behind tango, since it is a folklore recognized and valued internationally, of which we should be owners but since it is intangible, ownership is given by paternity and authority. Two acts that if one does not exercise, the others do. Here again we can see that a culture budget somehow increases global wealth as it increases the capacity for transformation (clothing, tango shoes, etc.), infrastructure, themed hotels, intangibles, intellectual properties of

music, classes, history, books, etc. Notice that with a proactive attitude we generate a world of possibilities. What pre-material societies must be careful about are transcultural phenomena. This means: within society there are companies and people who are in material stages and have a logical reasoning scheme typical of those stages. But that coherence does not necessarily coincide with the objective of increasing global wealth, necessary in the pre-material society. What this book tries to do is that wealth, which is a common good in both cases, allows a rational dialogue and that efforts align in a growth result. Possibly both will have to give up a little of what they intend to maximize their result. But this small sectoral sacrifice generates greater global growth. That is why it is essential that both the resignations of gains can be made explicit, can be negotiated, and this is allowed by both a common objective and a common language.

In these pre-material societies, the objective of growth and development sometimes borders on ecological and sustainable concerns. As was once heard,

"I won't clear the jungle but do you feed those who live in it?". This is a problem in Brazil with the Amazon, curiously all of Europe was once an oak forest and today only a minimal sample of the natural European forest remains in Bulgaria and Romania and the rest of the continent succumbed under the rationality of progress. So how is it that Europeans cleared the entire continent and the third world cannot do so because of global warming, even though it has people suffering from malnutrition and poverty. Here again the phenomenon of transculturation occurs: In material societies, already capitalized, their inhabitants are concerned about health, the environment, and the future of their descendants. On the other hand, in pre-material societies their inhabitants are concerned about how their descendants survive. As we can observe, here two problems arise: several millennia that Europe had already accumulated versus the five hundred fifteen years since we started. And what is more curious about this discussion is that both positions are true and both are valid. So, faced with these types of arguments, one must talk about the land's lost profits, protections, increased prices of raw materials, generating activities that allow those inhabitants to eat and provide them with health and education, so that their way of surviving does not harm the environment. For that to happen, we are all responsible. It is the responsibility of both to assume the solution and then carry it out. To carry this discussion forward with dignity and rationality, again the content of this book, global wealth, is a good way to start this dialogue. The stigma of pre-material societies is basically to survive, accumulate, increase people's access to a dignified quality of life. From these premises, strategies inevitably arise to make this so.

Now let's analyze the stance of a material society. They seek to maintain the levels of consumption they already have, preserve the standards of education and health they have acquired, and ensure these are maintained and increased. Since in these societies the majority of the population also enjoys a material situation, the system's coherence is much more consistent. The other problem that pre-material societies have is that generally their leaders are in a material situation and with problems of that nature. If these leaders cannot decode their knowledge and adapt it to the pre-materiality that surrounds them, they end up making decisions and taking actions that border on intellectual dishonesty. The problems of material societies lead them to face issues of security, resource availability, and maintaining their degrees of freedom against other material societies, maintaining a balance among material societies, a balance that today can be measured by the degree of generation of patents for new technologies.

We are at a moment in history when a percentage of the population in material societies is expressing its post-materiality. As we have said, the cost of managing social tensions can become so high that it inevitably forces the beginning of the path to post-materiality. Another situation that can force post-materiality is competition for resources. We believe that post-materiality leads to a lower demand for resources from material countries. This will inevitably be a relief for the rest of the world's population who are trying to improve their quality of life. Because competition for resources will be less brutal. To give an idea, with the current supply of resources and technology, if all the inhabitants of the planet wanted to have the consumption standard of Americans and Europeans, three planets would be needed. How will the American and European people reduce their demand for resources without experiencing it as a decrease in quality of life? I believe that post-materiality is a viable path to that goal. Curiously, the system suffers from a structural incoherence. On one hand, it leads to producing more and selling more, and those who can pay are the richest; there is also the ideology that the one who has more and consumes more will be better off. Moreover, the Chinese and Indians who try to improve their quality of life within the rules of the Western game end up in a perverse situation where they offer goods and services to the material world while improving their capacity for transformation and quality of life. But these inhabitants end up competing for resources with material countries. Obviously, in this whole discourse there are times, but China and India are having trade surpluses and GDP increases that lead them to compete for the supply of raw materials.

As we have explained somewhere in the book, international trade is

a very small percentage of total consumption. But this exchange is what sets the international price of food. So a small increase in total demand becomes a huge demand in world trade. And this leads to a skyrocketing price increase. Post-materiality will allow buying time until new technologies offer technological solutions to the energy supply that allow setting new frontiers for citizens' quality of life.

* * *

Trust and institutionality

For human activities that require the participation of more than one person to exist, mutual trust is essential. We will give examples based on commerce or doing. But they are transferable to health, education, justice. For any activity involving another human being to take place, it is essential to have trust in them. What is trust? Knowing that they will do things well? Believing that we share a common criterion? Thinking that they act selflessly?

Assuming that they have all the knowledge and will make the best decision? As we see, trust can have many forms of perception and measurement. Also, if we want to measure it through the results obtained, it can also be associated with various productivities. We will try to take my parameter of trust. Initially, I trust everyone, and then their behavior based on facts adjusts that definition within the deserved range. Also, there are different types of trust: in manual skills, physical abilities, reasoning, decision-making (ethical, aesthetic, or moral trust). A common ingredient to all types of trust is that in the bond there is a reciprocal consideration. I dare say that this last attribute is the most important. As can be seen, the universe of trust has several subgroups, and people, companies, and institutions will have to have some of these parameters to earn the other's trust. For example: one trusts a carpenter to make a piece of furniture following the rules of good craftsmanship, which implies good workmanship and good structural resolution. In commerce, one trusts the other if they pay on time and properly, if quality control is agreed upon, or simply by being considered. It may be that someone neither pays on time nor properly nor have the parties agreed on quality control, but the fact that one considers the other implies a certain trust. This means notifying you, explaining, answering the phone, being reachable. All these behaviors generate mutual respect.

Always, in any activity we undertake, there is a margin for non-compliance. And trust in the other is what allows breaking fears and starting the movement. What is trust? One trusts the other when the other's actions and statements agree with what we believe they should do. And if not, we have the capacity to communicate to understand our

positions, trying to find a common solution (consideration).

Can a commercial relationship be generated from distrust? Yes, it is possible, but it will be much more difficult and slower to reach the expected result. Trust has attached behaviors, attitudes, records. It is a construction. For example: if someone is asked to sell us something, there is trust that this person will deliver what we want to buy, and they trust they will be paid. When in this game of hopes and behaviors, these obvious situations do not occur, a destruction of trust begins, which inevitably undermines the possibility of development and growth. Starting, as has been demonstrated, from the idea that both development and growth are closely linked to commercial activity. For example: if an industrialist asks a supplier to send raw material, and the supplier does not send it on time and properly, this resource may be missing on the production line and end up causing a cost due to lost profits. This leads to a loss of trust in the supplier. We can say that trust is the faith I have placed in the other and that the other has placed in me. It is intangible. Many economists believe that for economic growth to occur, there must be a high degree of institutionality. Our position is that there must be a high degree of trust among institutions, people, and companies. They believe that by complying with laws and regulations equally, a framework of predictability is generated. They also believe that thanks to this, good societal development would be achieved. My position is that for the above to be fulfilled, the government official must trust the entrepreneur, the citizen. The citizen must trust the entrepreneur and the government. And the entrepreneur must trust the government and the citizens. Let's look at how the bonds currently are. The government sees entrepreneurs as an element of use and abuse, since on one hand it generates impossible regulations to comply with. On the other hand, it charges taxes not adapted to the company's boundary conditions, and since votes are on the people's side, social and union charges on companies are insane. With this reality, it lives with its environment as an enemy. And therefore, its behavior in decision-making is "defensive," trying not to take risks that if things go wrong would require others. The State is a hostage to its own employees, its own inefficiencies, and is subject to the arbitrariness of the politicians in power. Given the high degree of inefficiency and lack of solidarity with its clients, people and companies, it is experienced by society as a parasite. People, victims of deficient health, nonexistent retirement, mediocre education, are discovering the impossibility that with their effort they can build a home and reach some standard to reach their interface point, or they resign themselves or become resentful. This path leads to social violence. As we can see, the problem is not institutionality but generating trust. This means that the one who goes

to a clinic finds that the doctor is concerned about their health, is concerned that the patient is well cared for. That the entrepreneur manages resources responsibly, generates new and good jobs with their profits, new products with new and better jobs. And a government that cares and worries that its population reaches the interface point, that it is concerned with aligning resources behind talent, which will allow us to make two plus two give five. And this increase in wealth will somehow be capitalized by society;. What a difference it is to feel that on the other side there is not an enemy but a person, an institution that shares the problems and concerns and difficulties with which one approaches!. Here again appears the consideration of the other. Possibly, consideration is not incompatible with institutionality. But it is very hard to distinguish which comes first. Again, global wealth sets a common parameter for everyone, where the official in front and the citizen have to find a path within which both benefit. That is why the benefit is given by sharing a commandment. Its absence leads to anarchy, to unilateralism, and this to distrust, to the imposition of the strongest. Following this reasoning, a shortcut to trust is to install content in society. And from there, build links consistent with it.

As we have said in other parts of this work, the spirit of the laws is given by men. Let us imagine a Municipality with a Building Code. Let us imagine a citizen who bought a plot of land that allows him to develop a project which, due to its size, exceeds the scope of the code but would allow a tourist and commercial development in the area, with the consequent improvements (in jobs, income) whether personal or tax-related. This gentleman goes to the Municipality and if he knows that his project is correct, not abusive, and good for the community, it is logical that he hopes it will be approved. A good government would study it and if it meets environmental and infrastructure requirements, would possibly approve it. A bureaucrat hides behind the regulations and tells him it does not comply with them. In this case, we can see that if institutionality is enforcing the rules, our employee was very institutional. But I am sure that the feeling of our developer is distrust and lack of hope in the system. Surely, because of this official's bad behavior, institutionality is seriously threatened.

Conclusion: trust is given by the fact that both parties share a common objective. It should not be at the expense of others (example: building a monstrous building that ruins the neighborhood environment), it should not be the product of a favor; both the official and the entrepreneur should be able to discuss at a table the best course, each with arguments and the firm intention to improve. That is why the tool of global wealth is valid since it allows both to model, make sums and balances, choosing the path that maximizes it. In this example, possibly the developer wants to build the greatest number of

meters and the official has to limit and guide them so that those meters have a function beneficial to all. For example: if the building is of quality and sensible, it can revalue the area and that is favorable to all neighbors. If the project somehow incorporates tourism, hospitality, commerce, it can also be good since it increases the value of surrounding lands for commerce, the convenience for neighbors to supply themselves, and the possibility of generating more employment; sharing these principles, the decision is obvious and could almost be said automatic. Notice that trust arises from sharing an objective, sharing content, and sharing the visualization of both. Thanks to this sharing, trust arises that we will be able to walk a path together. This trust can coincide with a situation of institutionality. But the reality is that it comes first. Trust comes first and then institutionality follows. In someway, this work tries to speed up this process.

In what has been said before, we spoke of a project, a dream, an intention. Notice here that in the entrepreneur's proposal all this may appear explicitly. But that the result of the product in its materialization is a universe of pettiness that even forces its demolition. How is this fought? This is fought with history, with background, with trajectory. In many discussions with officials, when history, background, and trajectory are weighed, the offer is reduced to a tiny number of companies or people. Then, officials say that for them it is not democratic to make decisions for one or two contenders. This is a false criterion of equity because due to this need to generate more participants in the game, quality—which is associated with a trajectory and will provide the confidence that the entrepreneur will make the best possible product—is not prioritized. Again here appears the factor of trust, the factor of talent, the factor of responsibility. That is why the records of each person or company that wants to manage resources must be very neatly made and parameterized. Because that will be the basis of the human resource that will generate the transformation. It is essential that the construction of this record be methodical and systematic. And that everyone, regardless of their size, can develop this path so that through it they have the greatest support of society since it trusts that their performance will be in the direction that society needs.

Strategic thinking of premateriality and materiality

In prematerial societies, economic growth is not harmonious. And there are actors who are in materiality and a vast majority who are in premateriality. Furthermore, the installed discourse says that the greater the effort, the better off the subject will be. Unfortunately, this discourse does not take externalities into account. This means it does not consider the lack of capital, lack of infrastructure, lack of

technology, trade barriers, etc., leading a large part of the population to a situation of hopelessness and discouragement, which can result in resignation or violence. The group of people who are in materiality perceive this situation and are aware of how exposed they are to the desires of these majorities. This whole phenomenon is extremely clear in prematerial societies. In material societies, the sense of threat is placed outside. Because the poor are those outside our territory. And they are the ones who desire what the wealthier have. Here two interesting issues arise: one is to preserve what is held and the other is to increase what is held. And from the analysis of these two strategies arise the security and foreign policies of these countries. For example, as we have seen, an active society needs to consume energy. It is imperative that in foreign policy access to this resource, if not found internally, be managed. Because otherwise it threatens growth. Therefore, in this example, maintaining the wealth standard is linked to access to energy.

Another interesting topic from this position is that to maintain the development and growth that exists, one cannot ignore what happens in the rest of the world. A war between Argentina and Brazil, let's suppose, could affect my internal situation. That is why material countries have an arsenal of foreign policies and armies to be able to operate in case diplomatic and commercial channels are exhausted. One of the most common foreign strategies is balancing regional powers (Iraq-Iran, China-Russia), which are situations that help maintain equilibrium within the status quo. In this way, the risks of a violent change abroad affecting my internal status quo or my own lifestyle are minimized. Essentially, all material societies try to maintain their lifestyle, and therefore all members of that society are willing to make significant efforts in security and strategic resources. Here an interesting issue arises. What happens when the lifestyle of one society is not shared by another, which manages its resources differently, and this material society needs the resources of this group of people who think and live differently? Historically, one possible solution to these conflicts was violence or the generation of bilateral conflicts whose resolution ends with the indebtedness of both participants and from this arises their need to align with the objective of the material world.

Our stance for pre-material societies is that it is futile to oppose the path of the material world's needs. What must be done is to align and try to make the most of that alignment to improve the living conditions of the population. It is very difficult to take a feudal society to an industrial society. Possibly, there are many entrepreneurs aligned with materiality in a feudal society. This is why change is based on aligning these people with the mandate and trying to comb through the system

to find as many of these people as possible and give them the greatest opportunities to develop. Curiously, this strategy has nothing to do with the free market, efficiency, or competitiveness, since these entrepreneurs who have to endure the cultural change of a society start from a point where structural asymmetries practically exclude them from the market. That is why I believe they must be supported until they reach levels of accumulation, both personal and environmental, that allow them to have productivity, efficiency, and competitiveness standards similar to those of their competitors. It is true that the economy provides us with a tool that facilitates this competitiveness, which is devaluations. But this tool, if not used wisely, produces inflation and impoverishment of the poorest.

In our country, Argentina, social inequality has increased in recent years. There is a group of people, which we can estimate at 10% of the population, who have access to everything the developed world offers in health, technology, lifestyle, etc. And the rest of the population is experiencing a decline in materiality. Possibly, the distribution of this decline is log-normal. Due to this reality, many compatriots have chosen to live in gated communities. Some of these neighborhoods border on the most absolute precariousness. But within them, services (electricity, water, gas, sewage) are available and often fortified with perimeter walls. Almost as if they were walled medieval cities. The people who live in these places pay significant sums for their security and perceive the outside as a potential enemy. The reality is that they have precarious security, since a large truck can knock down those walls and allow the entry of people who will supply themselves with goods inside this property. I believe I am not mistaken in saying that this same situation occurs with countries. Material countries generate thoughts and situations similar to those that happen in these gated communities. As an example, we can take the problem of Spain with Africa. Where Spain is in the European gated community and the African people in the most absolute pre-materiality. In this sense, the USA has been shrewd and has created a buffer, which is Mexico, between their country and the pre-materiality of Central and South America. I believe this is a wise strategy from their point of view, as it distances the conflict several kilometers from their border.

If what we are outlining is true and we add minimizing the costs of implementing security and foreign policies, I think it would allow us to understand many actions of the material world. The conflicts between Israel and its neighbors, the conflict between Iraq and Iran, etc. It is important to understand that one of the priorities of the material world is to preserve its mandates, its lifestyle, its levels of consumption and growth. And that we, understanding this reality, must improve our exchange values, our product prices, our access to technology, our

access to productive capital, and in this way offer our population a permanent improvement in their quality of life. Denying this reality and thinking that frontal resistance is possible, evaluating the differences in resources in all items, is dangerous. I believe a strategy based on accumulating small achievements within the most favorable environment is the way to gradually advance without being in the crosshairs. For example: in the 1970s, all of South and Central America was governed by military governments that ended up indebting these countries. These illegitimate debts were used for three purposes: in Argentina, they financed capital flight (one hundred fifty billion dollars abroad), in Mexico half was invested in the industrial sector and half fled, in Brazil most was invested in industrializing the country. That is why, as I said before, within the limits of reality, Brazil worked in the environment most favorable to its development. Evidently, it was very difficult to resist the militaristic and indebted fashion that existed at that time, but Brazil placed itself in the best position to foster its development and I believe that with clarity and accepting reality despite the needs and vicissitudes of the material world's foreign policies, having the theoretical framework and content we propose, we can move in the direction of development and growth. Sometimes very quickly and other times not so much.

Industry and State: Pre-material at the industry level

An industry is in a pre-material stage when its process lacks resources to efficiently fulfill its function. And the efficiency parameter is given by the level of development reached at that same moment by equivalent companies in a material situation.

A company is in a material situation when its concern is to improve efficiency in the use of resources, improve the quality and delivery of its products, and enhance the utilization of the goods and services it manages.

A company is in a post-material situation when, in addition to the previous issues, the environment, the relationship with its workers, and the relationship with the market in the long term are added. If we make an analogy with the definitions for people, we can see that in the material stage there appears a responsibility in resource management and the need to sensorially satisfy our customers. In the post-material stage, if we want to have a long-lasting relationship with the market, we must have a healthy balance with the environment and society as a whole. And the antibodies will be given because wanting to have a lasting bond with the market requires communication with social actors that should allow us to perceive technological, social, and consumption

changes, etc., in advance, enabling us to change our course in time and appropriately.

State

A pre-material state is one that does not have sufficient resources to fulfill its function. And that function is to provide justice, education, health, security, and at the same time have resources that, when managed, allow satisfying the needs of people and companies.

A material state fulfills all these functions and at the same time has resources that allow providing jobs, building factories, improving housing, etc. The resources do not necessarily have to belong to the state. But it must be able to have influence over them through regulations (laws, decrees, standards, etc.), monetary and fiscal policy.

A post-material state in which most social actors are above their interface point is one that cares about the quantity and quality of life of its inhabitants.

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Chapter 3
How to care for growth and development?

How is growth and development cared for?

Before thinking about how to grow, one must aim to take care of what is already there. It is inevitable to reflect on the best way to do so. To assess the evolution of what we have, we must measure our overall wealth. Therefore, we will propose some indicators such as measuring operational wealth, price density (pesos per kilo of product) of the products we export, resources per job position, unemployment, etc.

It is very difficult to carry out a comprehensive global wealth balance every month. That is why we suggest a portfolio of indexes and statistics that, directly or indirectly, allow us to infer what is happening in the economy. Then, by closely monitoring these indexes, we can perceive how our parameters evolve. In the particular case that unemployment increases in a country, it will be necessary to see what is happening. Some people believe that if a sector of the economy is inefficient and deficit-ridden, inevitably to become profitable again it must raise its prices, and because of this, it affects the possibility of another sector developing. Waving this thesis, fundamental sectors of the industrial fabric of our country have been sacrificed. Does this approach work? Yes, but if a sector of the economy is killed off, at least it should be replaced by another. Moreover, the knowledge and capacity for change of that segment before being completely eliminated would deserve a chance for updating.

What are the diseases?

Often, all these atrocities happen because growth presents diseases. Just as in the case of human beings, the lack of “health” must be fought. So far, we have defined three different types of diseases that can attack growth and development individually or jointly, and these are: intellectual dishonesty, anthropophagy, and corruption.

Evaluation sheet

In some of the courses I teach, I present my students with the following problem: they are purchasing directors of the Ministry of

Health of a country where an epidemic makes the immediate purchase of a vaccine necessary. Within this framework, I ask them to present all the cases of corruption that could appear and to list them from most to least serious. The first case would be the minister who does not buy the vaccine, keeps all the money, and causes the death of one hundred children (anthropophagy). The second case would be that the minister is a bureaucrat who is always missing the last quote to close the administrative purchase circuit, and so does not buy the vaccine in time and form, causing the death of one hundred children (intellectual corruption). The third case would be that the minister buys the vaccine within the stipulated deadlines but keeps 10% of thebudget allocated for that purpose (corruption). Finally, in fourth place, the minister would buy the vaccine and keep nothing (honesty). One of the last times I did this exercise, a student proposed a fifth case: that the epidemic had been invented by someone. Without a doubt, this is a clear example of intellectual dishonesty. In the first two cases of this example, there was enrichment of the official at the expense of people's health; figuratively, they kept something that was assigned to them.

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Development diseases Intellectual dishonesty

Some years ago, the European Economic Community asked the Spanish government to cut down three million olive trees. On a television program, a debate was held in which economists from the Community, producers, government officials, and an independent consultant were represented. Some were in favor of cutting the trees and others against, each group explaining their reasons, until the independent consultant spoke, asking: How many millions of dollars does Spain earn from olive oil exports? Between two and six billion dollars, he replied. (Data to be confirmed). How much does Spain earn from tourism? Twenty billion dollars, he replied. And he clarified that Spain did not have farmers but gardeners, because tourists came to see their countryside and this was part of their landscape. Thus, he ended the discussion (all the other panelists fell silent), defended the work of several thousand Spanish farmers, and saved from destruction three million trees that take decades to grow, always maintaining a framework of respect based on a constructive outlook. It is also worth noting that the debate maintained a high level of objectivity and education at all times. Without a doubt, this consultant acted leaving aside all kinds of intellectual dishonesty.

After this anecdote, one must ask why intellectual dishonesty occurs. It can have many causes, some purely monetary (personal benefit) and others may originate from conviction, fundamentalism,

false principles, and we believe that the possibility that some of these germs prosper is due to errors in education, which we will call transculturalization. What does this mean? That the knowledge and conclusions built in material countries are not necessarily extrapolable to the rest of the countries. To clarify this issue a little more, a personal anecdote is outlined below. One day I decided to raise rheas (ostriches); trying to get the necessary technology for the task, I contacted a biologist who had done a doctorate in the United States and then had worked several years on an American farm dedicated to ostrich breeding. After much insistence, I managed to meet this man in a bar at Córdoba and Suipacha, a place where a friend accompanied me. Most of the time, this doctor talked about the problems of incubators, the studies he had been able to carry out with them, and how he had managed to improve hatch rates from 80 to 95%. At that time, I already had a pair of rheas to which I had not been able to pay much attention. But they had managed on their own to lay ten eggs, of which six hatched with nature as the only help.Months passed until one day the area was hit by a severe storm. Two days later, all the chicks died, producing in me a great feeling of sadness and frustration. By those coincidences or causalities of life, one night while channel surfing I tuned into the Rural channel where a Brazilian agricultural producer was telling that the same thing had happened to him. But with the difference that in his case the number of dead animals reached five hundred. This good man explained that since then he had changed his modus operandi: when there were three clouds in the sky, he put the animals in heated sheds and waited for the storm to pass. Upon hearing this, I immediately thought that the biology doctor had not warned me about this. Over time, this issue kept turning over in my head and I came to a conclusion. On the farm where the biologist worked, when there were three clouds in the sky, the foreman and workers took the animals to the shed without anyone having to tell them. This situation was already part of a mandate installed in that agricultural community. And the reality was that the farm owner and the doctor thought that efficiency was given purely and exclusively by the correct use of incubators. Since without any mechanical help there is a 50% success in hatching, with the use of a mediocre incubator the effectiveness rises to 80%, and with the presence of an optimal incubator positive results reach 90% or more.

The previous example is a clear case of what was termed transculturation, where the technician was highly skilled in the subject of incubators, perhaps so much so that he forgot other basic things concerning the handling of these animals. This error, which in one case cost the lives of six animals and in another five hundred, lies in a problem, although unintentional, of intellectual dishonesty, because the

cost of this type of error is paid by everyone. And the nuance of responsibility is anecdotal since the animals are already dead. That is to say, the severity of the outcome is so significant that it causes mitigating factors, such as the fact that there was awareness in what was being done, to be overlooked.

Our universities are machines for forming transculturated people, wonderfully functional within the work scheme of the first world. The conclusion we reach is that no one explains the obvious, but the obvious is not so obvious. If we could have a methodology to correctly interpret the reality around us as a result of an education aligned with this need, we would have saved those animals. And this brings social consequences as disastrous as those of corruption. Intellectual dishonesty combined with the lack of strategic and statistical thinking about the reality surrounding us results in serious errors in decision-making, which end up having immense social costs, namely: the decentralization of education, the implementation of the polymodal system, the eradication of technical schools, the lack of intermediate careers, or the lack of reflection about the country in which we would all like to live. The reality is that from this last task will arise the future possibilities for action. In societies without dreams or ideas, the decision falls into the hands of the despot of the moment.

At one time I had the opportunity to connect with the Director of Industry, the Director of Environment, and the Director of Natural Resources of the province of Santiago del Estero, in Argentina. All of them were technically well-trained people. The curious thing happened when they were asked how they would like their province to be: they always responded by speaking badly of the current governor even though they were officials of that government. What was most striking was these people's inability to share their dreams and fantasies because no system represses them; they were in their heads, or at least they should have been. Undoubtedly, these transculturally educated officials received training that allows them to talk about other countries or handle global information but makes it difficult for them to dare to dream about their own country. Possibly here there is a conflict between what is possible to achieve and dreams, but we believe the engine is always a dream, an ideal, a fantasy, a utopia. And if it is adopted with courage and perseverance, without fundamentalism, one accepts exposing it to reality and making the necessary adjustments. This lack of stance toward their homeland can lead them to be passive accomplices of the intellectual dishonesty with which the powers of the moment act. Indeed, without a social mandate, there is no frame of reference to evaluate the chosen course of action. When this disease takes hold and there is no social mandate, society has no way to generate antibodies to defend itself from this disease. Then, with that

reality established, society generates a feeling of powerlessness, disbelief, anguish, manifesting symptoms such as resignation or violence. All factors that oppose growth and economic development.

I remember that during the time of Martínez de Hoz, a neoliberal monetarist, I was doing poorly economically and financially but I felt that I was not doing things wrong. Since I did not have the logical framework to defend myself, I ended up buying a book about the sophists and their philosophy to see if I could find the answer there. Possibly this work I now undertake arises as a catharsis of that accumulated anguish and as an attempt at a solution so that times like that do not repeat.

Another example is the tax framework of our country, where several flaws appear. First, with a false criterion of equality, large companies and small ones are treated the same way, generating in the latter a universe of almost impossible obligations to fulfill, leading them to a position of hostages of those regulations. I want to point out that a country is built with citizens and not with hostages. The concept of structuring regulations this way leads to the subject being guilty whether rightly or wrongly.

* * *

Anthropophagy

The Royal Spanish Academy defines the term as the practice of eating human flesh, generally in a ritual form. In some way, here this concept is taken and extended to the situation in which one lives by eating another of the same species, a method widely used to achieve an income transfer. If the government mismanages its resources, it will very likely lack money. Faced with this problem, it has two paths: see how to make its taxpayers improve their businesses and pay higher taxes, or it can directly raise their taxes. If a monopoly company needs to increase its profitability, it has two options: increase production volume or raise prices, digging into customers' pockets. In a word, in the two previous cases, one of the alternatives implied living at the expense of the other. When this link between the social actors occurs, it generates an environment unfavorable to growth and economic development since all actors take a clearly defensive position regarding what they have, preventing, due to this situation, the assumption of risks of new projects because the exposure to the risk of the project and to the anthropophagic attack is doubled, leading the victim to conservative and low-exposure situations.

Anthropophagy leads to behavior of low exposure, of mimicry, since the brightest and best-looking one is the one exposed to being eaten.

As a defense against this, people adopt a low profile attitude, a false humility, resulting socially in a lack of successful examples and role models. As we can see, both victim and perpetrator affect global wealth with this disease. To combat it, it must be recognized, and the legal and regulatory apparatus should be able to put a stop to these abuses.

Corruption

It is the least harmful of the three diseases but the most punished since it is the easiest to detect and prove. The other two are more hidden, they also kill but in a less visible way. Curiously, they do not appear in the newspapers or if they do, they are not seriously addressed.

Again, an interesting situation appears here, which is the fight between the obvious (corrupt) and the not so obvious (intellectual dishonesty and anthropophagy). If we accept that individual behavior chooses the path of least resistance and is associated with the obvious, it is easier to discuss and talk about the obvious than about the not so obvious, leaving anthropophagy and intellectual dishonesty out of analysis and reflection on these topics. To be able to combat intellectual dishonesty and anthropophagy, it is essential to study, understand, and comprehend the subjects and activities we are talking about, and this implies a study that, if not done, makes it difficult to evaluate the consequences of each of those behaviors.

With the evaluation sheet on the different diseases, we are not justifying inaction or letting them pass. What we are trying to provide is an order and a qualitative and quantitative assessment (any business operator understands that they have to monitor certain parameters in their management, and sometimes these are not economically important but are socially significant, while other times they may be economically important and socially perceived differently. Therefore, it is essential for any manager or executive to be able to evaluate these issues and correlate their importance with management (social mandate, reference framework). Since from this evaluation and measurement of action, the professional success of the person and the result of the management are confirmed.

Obviously, the ideal situation would be to be able to tackle all diseases simultaneously and with the same intensity, as it is preferable to have these virtues in excess rather than lacking.

Our social system has no framework to combat intellectual corruption since it lacks the social mandate and its content, as well as a critical mass of superheroes who take care of it and allocate resources according to this way of thinking.

Map of diseases

Intellectual dishonesty Anthropophagy Corruption

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Transculturation

We have raised the importance of language and its conceptualization, visualization, and understanding. All these mechanisms will allow us to dialogue with the certainty of doing so in the same language. Example: in Eskimo culture, sculptures as we imagine them do not exist; there is no object resting on the floor, occupying space. For the Eskimos, there are carved objects but they must always be held in the hands. So when a Westerner talks about a sculpture, they think of the Trevi Fountain, the bust of Sarmiento, etc., while an Eskimo focuses on a carved bone they play with between their hands, for example. If we wanted to explain the rules of sculpture to this Eskimo as they would be explained in any art school in the West, this man would understand very little. This constitutes a pedagogical problem. When this difficulty is not addressed, it becomes a pedagogical disease, a product of neglect or simply lack of interest. In these cases, we can say that our teachers suffer from intellectual dishonesty.

Now suppose our interlocutor is an art scholar, has read

everything in the system and deeply believes in the methodology of contemporary art education. He has to go teach at the North Pole. Again, he may fail, but no longer due to corruption but because of a transculturation problem since so much passion and knowledge in the subject may have prevented him from taking the necessary distance to understand what was right to carry out in that new environment. This example is based on the book Art and Visual Perception, by Argen.

With the previous analogy, we try to explain many of the economic barbarities experienced in my country. For example: during Martínez de Hoz's era, the interest rate in dollars reached 36%, while in the rest of the world it was 12% for SMEs. So, we told economists that Argentina paid the highest interest rates in the world and nearby regions. Many of them explained to us that in the United States the interest rate was double the inflation rate, and that this relationship was maintained in our country (to a reality they opposed a mnemonic rule). Clearly, they forgot that the interest rate must also correlate with the real economy. Because if the company, country, or people do not have a business and/or productivity to pay it, they end up in a crisis, which ultimately happened.

After the Martínez de Hoz period ended, and with a traumatic exit

from it, a group of Argentine economists went to see Milton Friedman, father of monetarism, and told him that his theory was wrong because in Argentina they had done everything his theory suggested and the result had been disastrous. This economist succinctly explained that his theory was not wrong, that there are good and bad economists, and that possibly in our country, that theory administered by bad economists had such results (diagnosis: transculturation).

It is important to note that neither economic nor social theories or policies are inherently good or bad; what matters is how they are applied, for which it is essential to have a group of intellectuals and thinkers who can take from each thesis the part functional to the welfare of the society to which they belong.When this does not happen, and it is thought that to create a new space the old one must be completely destroyed, great waste and economic risks occur.

Example of the above: when my father gets cancer, I take over his company and have the opportunity to manufacture wooden hangers. So, I ask a local equipment company to quote me a factory for this purpose. The employee of this company asks me what the cutting speed of my raw material is (each wood, according to its specific weight and resins, allows a feed speed, and each tool, according to its hardness and angles, has a cutting speed). Thanks to this question, a light bulb went off in my head and I was able to move from universal knowledge (unprocessed) to structured knowledge (processed). I realized that to make the hanger factory, it was not necessary to import machines but that the machines obtained only needed to have the wood feed speed and tool cutting speed properly adjusted. So much so that I restored a machine from 1910 that I already had, installed the feed with an electronic speed variator and an independent motor, removed the spindles, bought cutters with carbide inserts (the most modern at that time), raised the speed to twelve thousand revolutions, and managed to make a machine with productivity close to 90% of a current machine and at a cost equivalent to 10% of a new one. This was due to clear conceptualization. It is interesting to see the different actors and their respective behaviors. The hanger factory that the equipment company wanted to sell me was budgeted close to one million dollars; obviously, it was not in their interest that I solved the matter with 10% of that money. Considering the timing regarding the market, if I had had a demanding market for which I had to start producing as soon as possible, buying the turnkey factory would have been an appropriate solution. The reality was that I had an uncertain market, with an unknown volume, so tackling the issue with my strategy was logical and relevant. I did not find professionals in the field who explained this to me in time and form. Having invested the country's money and time in training doctors in forest exploitation, they

could not decode their knowledge arising from the first world, that is, take the most appropriate from it for later application in our country. Possibly in Europe or the United States, recycling the machine as I did would cost more or probably safety regulations would not have allowed me to operate a machine of such characteristics. But we are not in those places; the Argentine turner's or welder's hourly wage is much cheaper.

I believe that the intellectual goal of our thinkers should be to work daily to understand first-world knowledge while simultaneously adapting it in the most economical and least painful way to our reality.

Measurements. Introduction

Just as in Medicine a patient has their temperature taken, blood tests done, X-rays, CT scans, etc., elements that allow us to reach a diagnosis and subsequent treatment, it is essential that we understand that economic policies, economic theories, and people are neither bad nor good. What is bad or good are the results. That is, to be able to manage a process of growth and development, measurements must be proposed and we have to know that when these measurements are good, the probability that our growth and development will endure over time is greater.

Following the above, we faced the problem of what we need to measure. As we have explained, we consider two conditions for growth: the social mandate and the critical mass. As we said, critical mass is the minimum number of people that guarantee the care and sustainability of the system, a number that if not reached, there is no possibility that the mandate will be sustained. And regarding the mandate, as we said, there can be different mandates and the mere existence of one already organizes the system and gives it some possibility of growth. But our logic allowed us to observe that material societies end up being strongly consistent with the overall wealth of their countries. So, we went to the definition of economy (management of scarce resources to satisfy human needs). Expanding this concept, we say that wealth is the sum of resources plus the capacity for transformation, which is intangible (and increasingly so). This is reflected in patents, intellectual property rights, etc. We approach satisfying human needs with a material aspect (material desires) and an intangible aspect (immaterial desires). As can be seen, we have added some intangible aspects to the definition of economy, but not too many. Taking our broad concept of wealth, we believe it is fundamental to measure global wealth to see the evolution of a country or society and its actions, which is a rather absolute term; to measure operational wealth; to measure resources per job position, which is

related to the capacity for transformation; by measuring billing per employee and resources per job position, we can draw important conclusions about the benefits of the economic activities we are developing. I want to point out that economic activities are restricted by the population that must carry them out. Possibly, those resources placed in a population with better health, education, etc., yield more interesting results, but the path must start with the people you have. Unfortunately, we do not have globalization of people. This means it is very difficult for people with high standards of preparation to want to migrate to pre-material countries with the willingness of pioneers. Moreover, if they did, they would need a volume (critical mass) that allows them to work with codes and standards similar to those of their country of origin. This would also be very difficult for pre-material countries to accept. Therefore, we only have to generate transformation with what we have, caring for and developing the best we have so that it progresses, matures, and generates an interweaving that includes the critical mass to guarantee coherent and harmonious behavior of these societies.

We propose global wealth as a paradigm, and it is the sum of the wealth of individuals, companies, and the State. We define total wealth as consumable stocks, available stocks, usable stocks plus the capacity for transformation. Possibly measuring this monthly and drawing conclusions is quite complex. That is why we propose measuring operational wealth, which is based on available stocks plus the capacity for transformation. Available stocks can be measured, and the capacity to transform them into higher-value products we measure in pesos per kilo and volume. For example, Microsoft has the highest weight-to-kilo ratio since a 20-gram CD sells for 1000 dollars. And Argentina's main resource sold (commodities) ranges from 0.3 dollars per kilo to 1 dollar per kilo (in the case of meat). As is obvious, it takes three tons of grain to buy a Windows Office program. In this case, to have the same transformation capacity as Windows, productivity must be three thousand times greater in volume. The Windows unit is taken as one kilo: the box, manuals, CD, etc. And since in a short time frame there are variations that tend to zero (for example: the difference between moment 1 and 2 of durable goods is not significant, so it is 0; the difference between moment 1 and 2 of consumable goods also tends to 0 since consumption habits do not change violently in a short period), we propose controlling, in short periods, the operational wealth of individuals, companies, and the State. This equals available stocks plus the capacity for transformation. And the latter we measure based on dollars per kilo of exported products by volume. We can say, for example, much of the boom our country is experiencing is due to the revaluation of commodities and the volume increase brought about by

the technological incorporation of herbicides, fertilizers, transgenic seeds, and the direct seeding system developed by us.

Here we will also control the capacity for transformation. And in the case of companies, we will calculate resources per job position. Note that it does not matter if it is debt, working capital, equity, etc. The only thing that matters is the ratio of total assets to job positions. Productivity is strongly related to this value. In the case of employees, what we have to evaluate is pesos per hour, which are strictly related to their talent, training, and productivity. People who invoice are considered companies. And in the case of the State, the capacity for transformation is considered a function of the capacity for transformation of people and companies. Because if we have better infrastructure and services, it will be reflected in the company's capacity for transformation, both in volume and quality, and if we have better education and health, our human resources will also be reflected in their hourly income.

Another parameter is that of jobs in research and development, in industry, in services, the number of unemployed, and we can keep adding for all the parameters we consider.

We have presented a reflection on GDP and its calculation in the chapter Reflections. And as a conclusion, we consider that the entire development of this methodology is based on precedents from material societies with high levels of technological development. The discussion noted in the works shown also includes the perspective of these societies. That is why we seek the foundations of the economy and from there propose some measurements that allow us to preserve its essence, with the human and resource limitations that each society has. In the example of Malawi, the material world did not show a theoretical framework that takes into account the limitations of that society. And notice that the decisions made ended up improving its overall wealth.

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Chapter 4
What is necessary for the existence of growth and development?

What is necessary for growth and development to occur?

Growth and development are a function of existing resources, plus their management, plus their allocation. The result of this equation can be growth, stagnation, or regression. How do we set up this equation so that its result is growth and development? Here we propose the existence of two terms: one we call social mandate and the other we call critical mass. The social mandate will help the correct allocation of resources, and the critical mass is associated with the management and the correct and coherent allocation of them.

In principle, for the possibility of both growth and development to exist, two things are necessary: having a social mandate and a critical mass of people aligned with that social mandate. As explained in the introduction, countries have different mandates. We assume the United States has the mandate to protect its lifestyle (freedom, self-defense, excessive consumption, preference for material things, innovation as the axis of wealth), and for this, for example, the fuel consumption involved or the planetary cost of maintaining their lifestyle is not taken into account. The French also feel it is necessary to protect the way they live. One day, a friend who works at the World Bank invited a French specialist in technology transfer to give a talk. On that occasion, I asked the expert if it wouldn't be better for France as a country to buy food from us while selling us technology, instead of subsidizing their agricultural production. Shifting from a rational to an impulsive state, he answered that the production of cheeses, wines, and other foods made by their agricultural society was part of their way of life and that they would not delegate such an important matter to us. Japan is convinced it is a poor nation. So they operate under a mandate based on being extremely rigorous in managing their resources. An example of this is how Japanese workers handle strikes. Production does not stop and resources are not lost; instead, the line is unbalanced, causing countless inconveniences to the factory managers. The production capacity is not affected by this form of

protest. Undoubtedly, the comparison between the existence of a mandate in prosperous societies versus the absence of mandates in pre-material ones deserves to be treated in depth with meticulous research.

This book bases its hypothesis on the idea that in pre-material societies the social mandate is headless or anarchic, resulting in a very light interpretation of it. For example, an example of the lack of social mandate is the relationship established between supermarkets and SMEs.This relationship is asymmetric. If one thinks that in a capitalist society companies can care for their profitability as their only objective, it is logical to suppose that the supermarket owner explains his commercial strategy with this argument and the need to achieve profitability. Due to the lack of bargaining power of small suppliers with supermarkets, it is to be expected that with such a relationship they end up with serious solvency problems and, therefore, survival problems. Surely this stance is fine for the supermarket owner but it may cost other economic sectors to disappear, losing technologies, knowledge, capabilities, etc. (cannibalism). In the equation made by the supermarket owner, this is not taken into account and produces a measurable social cost. Here arises the problem between individual rights (company) and social rights (common good).

Social mandate

So, what gives consistency to the system is the mandate. Possibly it does not have a legal framework in which it can be enforced but it does have a social judgment that could be clearly felt. For this to happen, it is essential that those who do not operate resources (intellectuals, teachers, journalists, thinkers) generate in society points of view and values that put a brake on, in this case, cannibalism or intellectual dishonesty.

Global wealth

The content proposed to societies lacking a mandate is global wealth. What is global wealth? It is the wealth of individuals, companies, and the State. Why is this mandate chosen? Because in a pre-material society resources are needed, and in a prosperous society the result of the work of all social actors is the increase in the supply of resources. Besides, the concept of wealth is understood by people, companies, and rulers. None, no matter how perverse, can afford to explicitly express the desire for another to become impoverished. Therefore, if negotiations are rational and the modeling of gains and losses of each sector is well explained, the whole society is obliged to find a path in which everyone wins. In effective negotiation

exercises, there is a case in which everyone concedes and that is the only possibility for everyone to win. Because if each defends their advantage to the utmost, the project becomes unviable and then everyone loses. In summary, global wealth brings together all social actors, forcing a solution to the problem of how each can move forward without harming others. In this situation, resources such as creativity, innovation, and knowledge must be used. Surely this path is more complicated, but it brings much better results to the social issue.

What is wealth?

Now, what is wealth? Wealth is defined as the sum of available resources plus usable resources plus the transformation capacity one possesses.

Available resources. Imagine a person consumes one leg of ham per month but has four in stock. Then the available ones are three, the usable is one. If they decide to use that ham to mix it with arugula and tomato, making a sandwich this way, they put transformation capacity into practice. Because that result will have added value that in the end will translate into some more legs of ham. This concept of available is important to be clear about since one cannot dispose of everything they have without it affecting them operationally. If one has to spend a whole day in the desert and consumes three liters of water, the available resources one then possesses are zero. The water that is drunk would be usable (because it is being used) and not available.

Usable resources. Let's imagine a company located on valuable land, with very expensive machines. Are these resources available or usable? They are available when the company stops operating and its land and machines can be sold; otherwise, they are usable resources (while they are being used, they cannot be disposed of). So, usable resources are those that do not affect the function (production in a factory and life development in a person). If this type of resource is lacking, neither living nor producing is possible.

Transformation capacity. Let's think about having gold and being a jeweler (a very skilled craftsman). You take that raw material and transform it into a necklace, a ring, etc. That new product is worth more than the gold it contains because it incorporates talent (knowledge, creativity, or whatever you want to call it). Thus, transformation capacity is precisely what allows a raw material, combined with someone's ability, to result in a greater value.

What has been explained above is based on talent. But there is a close correlation between resources per job position and transformation capacity. This means that the greater the amount of resources per job position, the greater the transformation capacity in

quantity and quality. A rule that holds is that products with low value density and high production volume have very high levels of investment per job position.

What is quantity?

Quantity is the capacity to offer kilos or units of a certain product. In general, this is related to resources per job position. Example: silo company, oil company, mass consumption companies, where to generate volumes you need resources in logistics, automation, etc. that allow reaching them.

What does quantity depend on?

It depends on usable resources per job position. This means that to have a high capacity to offer products, it is inevitable to have a significant amount of assets associated with the activity. These assets, which are indispensable to carry out the activity, we call usable because we are making use of them. In contrast, available resources are those whose sale does not affect our normal operation.

What is value density?

Value density is a measure we propose to free ourselves from the product or object and be able to evaluate its value per unit. For example: a ton of soybeans is worth four hundred dollars, a ton of jumbo is worth one million dollars, a ton of computer programs is worth forty million dollars. As we can see, the richest person in the world is closely related to the density of wealth. In the first example we gave, we talk about a low-value product, so if we want to have a business of significant size, we have to process or handle very high volumes of this good. And this implies a high amount of resources per job position (trains, ports, trucks, ships, silos, etc.). In contrast, to process tons of jumbo, a high concentration of resources per job position is also needed, but unlike the previous case, all these resources are for transforming the raw material (aluminum) into an excellent object (airplane). Moreover, in the transformation process, there is a very high percentage of intangibles such as engineering, processes, etc.

In the third example, all the transformation capacity is relate

d to the talent of the programmers and the product to be developed, and we could say that the resources per job position are invested more in training people than in improving processes.

What does value density depend on?

I can affirm that value density is a function of usable resources plus

intangible resources (talent, knowledge, etc.). The more of these we have, the higher the value density of the final product.

What is operational wealth?

Now it's time for operational wealth. What is operational wealth? Operational wealth equals available resources plus transformation capacity.

Why do we talk about operational wealth? Because with this term, the material and immaterial reserves that a given society has can be perceived. This gives a clear view of the solvency each society has and how it evolves over time.

Operational wealth

We define global wealth as the sum of the wealth of individuals, the wealth of companies, and the wealth of the State. In contrast, total wealth consists of the sum of consumable stocks, available stocks, usable stocks, and transformation capacity. Suppose total wealth is measured at moment 1 and then at moment 2. We subtract wealth 1 from wealth 2, so total wealth 2 minus total wealth 1 equals consumable stock 2 minus consumable stock 1 plus available stocks 2 minus available stocks 1. This added to usable stocks 2 minus usable stocks 1 plus transformation capacity 2 minus transformation capacity 1.

Let's analyze each of the previous terms and see what happens to them over time. Consumable stocks reflect the consumption habits of individuals, companies, and the state. Unless there is a structural crisis, people's consumption habits change very little. Those of companies and the State are strongly associated with technological and infrastructure changes; therefore, they also undergo very few changes in short periods of time. It can be maintained that the variation over time of consumable stocks is zero in the short term.

Usable stocks behave similarly to consumable stocks. For example: a house is a usable asset for a person and does not change dramatically from one year to the next. The same happens with factories and production assets. Therefore, it is also considered that usable assets have a variation tending to zero in a short period of time. What we can guarantee is that in that same period, available resources and transformation capacity can have significant variations. For this reason, we call operational wealth the sum of available stocks plus transformation capacity, allowing us to measure the evolution of economic policy in short terms. Given this situation, in a crisis, both components are the first to be attacked. For example: I have to pay a bill and I have to see where to get the money if there is no more credit.

First, I try to sell the available stocks to pay the debt without affecting my operations. But I keep failing. Then, I decide to close my factory and sell its land. The loss of this usable resource affects my global wealth because the asset passed from my ownership to another's. If I sell that part of the company to someone to build a gated community, the asset still exists globally but no longer within the sector's transformation capacity. At this point, it is important to note that transformation capacity is not accounted for in any national or private balance sheet, so it becomes an attackable resource that is only reflected in unemployment and the deterioration of wealth density. Here arises a very interesting cross-cultural argument that claims the world belongs to services. What must be seen is how many of these services depend on production and technological development. If they are only intended to feed an entire parasitic human component, the result will be disastrous.

It is also important to remember that the capacity for transformation is measured as the density of value per unit. Example: pesos per kilo. A kilo of car is worth ten dollars, a kilo of airplane is worth a thousand dollars. It is not the same to be able to produce, with equal kilos, objects whose sale price has that difference in value. Generally, the world and prosperous societies produce objects with high added value.

Talent

All people have or possess some line of action, thought, or creativity that surely distinguishes them from others. There is always the intrigue of knowing why, when two people have the same training and the same amount of resources, one finds paths that surprise with their originality or creativity and the other does not. There are many types of talents. There is the talent to discover talents. There is the talent to use them, the talent to develop them, etc. The secret is to know that in any activity we do, we will rely on people. In many societies, this dependence on talent is minimized. Because if talent is in the hands of an inept person, they might use their attributes to subjugate or impose conditions on the other party. I will not deny that this can be true, but I want to clarify that the basis of business, of social construction, must be trust among human beings. And that they will have the best possible behavior. When confusion, pettiness, or selfishness appear, institutions must step in with justice and regulations to put a stop to the confusion. But gentlemen, we all need each other. And in a society where we all understand premateriality, these tensions will be minimized. There are countless cases of immensely talented people whose growth possibilities were diminished by the conflictive nature of their personality. Just as there are immensely talented people who, being in economically and humanly poor environments, also see their

possibilities for expression limited. I want to give some examples of talents and different types of them. All are valid and necessary for the construction of a society. Once, at a board meeting of a toothpaste factory, the directors proposed they needed a 10% increase in sales. Everyone looked at each other and some outlined advertising plans, market studies, etc. One of the company's employees, with a lower position, timidly raised his hand and proposed increasing the diameter of the toothpaste exit hole by a few tenths, since the increase would allow more material to be deposited on the brush and a 10% increase in material deposit would not be noticed by customers. Thus, the toothpaste tube would last 10% less. This is one type of talent. A man who gets up every day at five in the morning to run his bakery, watching every cent and making it profitable, is also talented because he provides a service to society, maintains a source of employment, and achieves quality of life for himself and his family. If the same individual also has the desire to produce an excellent invoice and this is recognized by the market, allowing him to expand to other neighborhoods or countries, even better. From these examples, it follows that the important thing is to find the attributes in which people can express these positive singularities and society can take advantage of them. It is possible that these people do not know their potential or do not believe that what they have and know how to do well is good. And they try to carry out other activities that are socially well regarded but for which they do not have the necessary attributes. It is essential that school and university develop technology to help find the space where each person feels good and is efficient. And there are examples showing that recognizing our limitations does not imply a limitation on economic development. Example: a man was a partner with his brothers in a very important metallurgical company. He was in charge of production and dealt with the workers. He says he suffered a lot because of the problems of those two or three hundred workers in a prematerial stage who raised issues of health, housing, education, etc. Being aware that such a connection with reality exceeded his tolerance, he told his brothers of his desire to leave the company. The brothers paid him in various ways, including with a real estate development. Today, the individual in question is the richest in the whole family and found in this path the possibility to express himself and continued generating new real estate ventures. As we can see, he respected his limitations and found an area of activity he did well and that also remunerated him economically. It is important that people accept their limitations and their great challenge is, from this reality, to avoid letting them limit their development possibilities.

It is fascinating to see how there are human beings who move comfortably through places where one would succumb and one moves

comfortably in places where others would succumb. This singularity of each person is what a good system should take advantage of. And I believe that institutions should be based on the possibility of harnessing these capacities. When the United States entered World War II and needed an all-terrain vehicle, it invited four businessmen to develop it and one of them had the best proposal. There were not eight million people proposing an all-terrain vehicle. I believe that when institutions try to generate plurality where it does not exist (because in many cases they have to comply with formalities of three budgets or cannot align resources in monopolistic situations) we are prioritizing form over content. What must be clear is that support for talent must translate into an improvement for society. This means better products, better jobs, new economic possibilities. Talent must never be an attribute that holds the other hostage. Because this situation awakens the worst in everyone. I believe that in many cases, out of fear of this situation, wrong measures or dispositions are taken. As a general stance, it is advisable to start relationships with human beings from trust and experience shows that in 95% of cases the strategy is successful. And we must accept that this 5% cannot change our attitude towards people. Because a relationship based on distrust is torturous, annoying, and generally unproductive.

By chance, the author had contact with a community dining hall. These non-governmental organizations arose as a buffer against the 2001 crisis. They received contributions from the municipality, then received Work Plans, then received money to generate some microenterprises. Their leaders believed that merely containing the social problem was enough and never worried about identifying among their people who were the most talented, the most productive, to, through them, generate singularities that would allow them to compete and remain in the market. This lack of vision of global wealth based on talent, now that the country is prosperous and with demand for jobs, is leading them to fragility in their survival because despite having received significant economic support, they could not discover and develop the talents within their social group that would allow them to genuinely endure over time. Possibly, in the mindset of the officials of this organization, having to distinguish one member socially and economically by their talent generates a situation of greater conflict with the rest and is harder to manage. Here, instead of addressing the problem and finding a solution, the easiest path was chosen, justified with a social strategic thought, and mediocrity triumphed. Thanks to it, possibly the people who participated in this project lose the possibility to sustain and develop themselves, thus achieving the opposite effect to what was desired.

Commandment

One of the problems faced when the question arose as to why some groups are prosperous and others not so much, was finding the common factor that defined those prosperous groups. As explained somewhere in the book, some think that prosperity has to do with religion, culture, institutionalization, etc. But as we have already said, each of these hypotheses has situations and examples that contradict them. Seeing that no hypothesis fit this common factor, we decided to use a scheme in which a hypothesis is put into play and the behaviors of prosperous groups are observed, to see if they are consistent with the proposed hypothesis. For example: one could say that freedom of trade leads to prosperity. And we can say that Japan and Europe do not meet this parameter and are prosperous. We can say that democracy leads to prosperity and we can cite the Stalinist, Mussolini, and Hitler periods as examples that generated unusual prosperity. And we can keep testing different hypotheses. We found a hypothesis that is global wealth. And if we put this commandment on stage, we see that the behaviors of societies that are prosperous or have high growth standards behave to a greater or lesser degree consistently with this hypothesis. Some prioritize maximizing the increase of global wealth and others not so much, but all move in the direction of global wealth. An important detail to keep in mind is that our definition of wealth includes an intangible which is the capacity for transformation. And this incorporates technology, knowledge, health, education, etc. Many solutions for increasing global wealth are supported by enhancing this intangible. Curiously, in these prosperous societies, the issue of wealth is hardly ever made explicit in the relationships between social actors. But despite this, it is cared for and managed. That is why we gave it an almost religious connotation of commandment. Because it is a content that in prosperous societies is not explicit, but it is cared for and managed. The curious thing about this reasoning has to do with mathematical logic where one defines a group and its attributes, then tries to prove if it is fulfilled. We found in global wealth an attribute that is fulfilled in the outcome of the management of developed countries. But we could not discover why those societies managed to reach consensus on these lines of action. We face this mystery with the explicitness of our content (global wealth), pedagogy, and the mystique of a non-negotiable value, which we call commandment. I believe this coherent behavior is reached by the most varied and mysterious paths. I believe global wealth is a valid content until society reaches materiality. Afterwards, in post-material stages, the commandment would have to be adjusted. Where satisfaction is more centered on the balance of oneself with the environment, on the satisfaction that comes from choosing and being happy with what was

chosen, on the peace that comes from knowing what is needed and being happy to obtain it. As we can see, the commandment comes to resolve that space in which rational and universal arguments cannot be found to explain these behaviors.

What are resources?

Digressing from the topic, to make a clarification, it is important to be clear that resources are the sum of goods and services.

Classification of resources

The former can be classified as consumable, available, usable, natural, and human, as already mentioned. Services consist of education, health, transportation, etc.

What is the capacity for transformation?

It can be defined as the difference in value between what one has and the result of having applied to those resources elements such as knowledge, creativity, talent, technology, investment per job, etc. It can be affected quantitatively and qualitatively. For example, one may own a cement factory that produces one hundred kilos per day. Then an investment is made and production increases to one thousand kilos per day. The capacity for transformation increased quantitatively. Another example, again owning a cement factory that produces one hundred kilos per day and sells them at one peso. The process is improved, higher quality is achieved, and a product is obtained that due to its physical properties can be sold at two pesos because it has improved qualitatively. It can still be maintained that quantitative capacity for transformation is a function of resources per job, reaching in some cases resource densities on the order of one million dollars per employee.

In reality, qualitative capacity for transformation is a function of resources per job plus talent. The latter includes education, health, etc.

Why talk about wealth and not resources?

According to our definition, wealth is composed of two terms, one related to resources and the other related to intangibles. That is why, in today's world, it is not enough to have sufficient resources but also an adequate capacity to transform them. The latter is directly associated with education, health, talent. Example: Japan is poor because it only has capacity for transformation. In contrast, the United States has capacity for transformation and available stock.

It is possible to know how much is spent on education but it is extremely difficult to measure how much of that effort remained

adhered to the recipients. The same happens with talent; it is a good that appears with action. On the other hand, health is an intangible good. Why? Naturally, one thinks of being healthy and not that if one gets sick one becomes someone who only consumes but does not produce. Given this, it follows that health is an intangible that when lost becomes very costly, as long as society takes responsibility for the illness of others. A cheap way to solve the problem is to perceive it as disposable, then the cost of caring for it is not paid. This last perception can only exist in a society where the capacity for transformation is almost nil and therefore, the other has no notable value.

It has been accepted that pre-material societies do not have a social mandate that allows them to resolve conflicts between their actors constructively. It has also been mentioned that we propose that the content of that mandate must be global wealth, so now the question arises of how to spread and internalize this mandate in an anarchic or non-cohesive society.

With whom?

In my work history I have seen examples in companies or even in the State itself where management set the correct course but the ship ended up going in another direction. Seeing this, I wondered how it could be that the captain could not get that ship to the desired destination. After much reflection on those situations, my conclusion is that for leadership to achieve a relationship a one-to-one relationship between its course and the action, it is inevitable that all personnel be aligned, in the case of the captain, the first officer, the helmsman, the engineer. Then the ship will follow the predetermined course. These four characters would be the critical mass because it is the minimum number of people that makes it possible to carry out the chief's order. The same thing happens in the administrations of companies or government. This is where a possibility arises that complicates the whole approach. Unless it is governed by a dictator, in a country there will be conflicting interests, different opinions, and diverse points of view. To resolve this situation, something more than the captain's order and his small critical mass present will be necessary. From this, a principle can be drawn: the more despotic the system, the less critical mass it needs. Returning to what was being explained, to resolve this complex situation, a social mandate is needed, one that unites and naturally ends up setting the course. Around that mandate, a critical mass of people will be needed to allocate resources and manage them according to the objective of its content (increasing overall wealth).

How is the critical mass estimated?

If you take the organizational chart of a country, you can see that managerial or leadership positions are very few (they will be around a thousand in a country like Argentina) and for the decisions made in these positions to end up being applied where it matters, it is essential that the signing line shares the principles, values, and mandates of the leadership. Thus, given a decision pyramid, we have a director in charge of forty people, who in turn give directives to chiefs and managers. Therefore, if we extrapolate this to Argentina, and consider that a thousand leadership positions are necessary, then forty thousand people with their respective directors will have to be aligned. Adding as a fundamental point the fact that at least three hundred thousand entrepreneurs must be informed of the mandate. With this critical mass, it is possible to achieve growth and development parameters.

How is it detected?

In our pedagogical experience, we have used exercises in which it is very interesting to see how people with leadership capacity, once they understand the mandate, align themselves. (Exercises from the entrepreneur classes).

The detection strategy consists of training the public sector first. In this training, given the type of pedagogical methodology we will use, we will be able to detect what human resources we have. Possibly the same reach to cover all government positions. If not, we will complement them with people trained outside the government. Also, we will carry out a dissemination strategy in the Chambers of Deputies and Senators, in non-governmental institutions, and in companies. In this way, an attempt will be made to generate a common language that allows communication despite the tensions generated daily among the different social actors.

How is it trained?

First, some dissemination talks are given from which students will be classified as behaviorists and structuralists. Based on this they will receive a different type of training depending on the group of origin. The idea is to make landings by departments, by areas, by sectors in a programmed way, resulting in a signing line aligned with the leadership and this with the mandate.

How is it disseminated?

Dissemination will begin by detecting those we will call “apostles” in

the first talks. They are people with didactic ability, who adopt the mandate with passion. Therefore, each one will generate a pyramid whose base will grow until it encompasses the whole society as a whole.

How is it controlled?

It is recommended to create a board that serves as a reference for officials and entrepreneurs. There, social actors can come to dialogue, seeking ideas that are aligned with the mandate and improve their position.

* * *

Reflections

From the Material to the Postmaterial

Talking with my friend Pablo Tarasiuk about these topics, and with his practical thinking and cellular understanding of wealth, allowed me to see why the migration from materiality to postmateriality would occur. In this topic, we will talk about the future and approach it as set theory, where each future scenario generates a possible intersection with our universe.

The outlined hypothesis is that in prematerial and material societies there is a systemic cost in managing growth. This means that there is an amount of resources wasted by all actors trying to increase their share of global wealth without being aligned with growth, and there is an amount of resources the State must allocate to call them to reflection, so their attempts are oriented toward growth and the common good. For example, in Argentina, daylight saving time is not advanced in summer to minimize electricity consumption. This decision favors electricity distribution companies. But on a macro level, it increases the consumption of fossil fuels, which are used by thermal power plants, and this has happened for several years. Today, as we face an energy crisis, the government will surely take the appropriate measure. As we can see in this example, thousands of hours of thermal generation with their corresponding fossil fuel consumption have been wasted by not taking this measure and favoring the profitability of that sector. This had a cost for society. In a postmaterial society, this waste would be socially frowned upon, and no one, neither businessmen nor the government, would think of allowing it. There will come a time when the implicit costs of managing these tensions exceed the cost of social change. Then the system will begin to work in an organized way to generate the contents of postmateriality.

Another interesting issue is that postmateriality will lead to a decrease in resource consumption. People will not consume what they have to consume for their social status but will consume what their genuine and authentic needs demand. This will possibly result in a lower impact on resource consumption.

An important topic in the transition from materiality to postmateriality is energy. The developed world is working on nuclear fusion. A

machine that, if perfected, will offer humanity infinite energy. If this happens, the limits to the materiality of the world's populations will only be determined by the stinginess of the societies that manage this technology. I believe a scenario in this situation is the revaluation of the natural and singular, leaving the synthetic and automatic to premateriality. These costs, which we define as possible triggers for the transition from materiality to postmateriality, can be raised by an increase in raw materials or by their scarcity or because the structural cost in human and material resources to fight anthropophagy, intellectual dishonesty, and corruption is of such magnitude that it forces a reconsideration of these values, thus provoking the change.

Another factor that will force the shift from material to postmaterial is the longevity phenomenon. This phenomenon entails two costs: one is health (chemical longevity) and the other is retirement, which, as life expectancy extends, significantly increases the passive population. I postulate that postmateriality must improve people's quality of life in such a way that it reduces health costs and prolongs the active period of people, reducing two social costs that at some point may become unsustainable. And justifying the change.

When will postmateriality arrive?

Postmateriality focuses on people's quality of life. And at this stage, companies and the state align with this goal. Since it is very difficult to define people's quality of life and I also consider biodiversity fundamental for any system, what closed our proposal was the immune system. It is known that when people are truly in balance, all immune system parameters are too, and therefore the possibility of getting sick is lower. The other parameter to consider is longevity and its quality. A postmaterial society would have to work so that each and every one of its inhabitants finds the combination of activities that allows them to express their best immune ratios. And in turn, that they are happy with that mix of activities. This is the academic challenge that material societies would have to face. You may wonder why I raise this problem from which we are so far away. In sailing, one knows where one comes from and has an idea of where one wants to go. And this journey is affected by the wind and the current. Sometimes these two factors are against the direction we want to go, sometimes they are crosswise, etc. But we always have the restriction that we cannot sail against the wind. So from analyzing these factors, we choose the course that brings us closest to our destination. The same should happen with the growth and development strategies of a society. But to define the course that brings us closest, it is essential to know where we are going. That is why it is important to define a north, which in our case is postmateriality.

When will postmateriality prevail?

In material countries, a longevity phenomenon is occurring mainly based on the development of medicine, both in diagnosis and treatment. But this longevity strategy based on these resources brings collateral consequences reflected in the costs of old age. One way to reduce these is to approach a postmaterial society where the participation of allopathic medicine is a last-resort resource. Because all its contraindications are reflected over time. And in this way, costs are minimized.

Common Language

In societies, there are three actors, and they must be able to resolve their conflicts and tensions without violence, for which they have to communicate (one of the fuels of violence is lack of communication). Carrying out this activity means that when a word or phrase is mentioned, the receiver will understand it.In electronics, it would be said that the same protocol and the same memory are shared.

On the other hand, language socially conditions the way of seeing the world. For all these reasons, several terms have been generated in this book to which meaning has been given and a dimension of use proposed. This task aims to serve as a basis for joint discussion and elaboration. For example: What is progress? Is it the increase in per capita income? Is it the increase in salary? Is it the increase in credit? All these situations can allow prosperity. For example: both in the time of Martínez de Hoz and Menem, the country went into brutal debt, and that inflow of foreign currency helped build a sense of well-being since a high percentage was consumed (sewage effect) and a very small percentage was invested in generating new ventures or capital goods.

The per capita income index is calculated as the GDP divided by the population. Now suppose there are twenty companies and one hundred people who manage and control 80% of the GDP. An increase in GDP surely means a very large income increase for the group managing those resources, but for the rest of the population it will go unnoticed. In this case, there is prosperity for a few, but it tends to be thought of as shared by all. Suppose a very strong union obtains a significant wage increase without any productivity counterpart. The entrepreneur who, due to market conditions, was running their business despite that wage, will see that their business is not viable if the international price of their product falls. Those prosperous wage earners will then become unemployed. Within our model, the union must align and help the entrepreneur so that they can achieve international productivity since this implies resources, technology, and financing. That path is what will allow union management to be

genuine and solid.

If we all understand that prosperity cannot occur for some at the expense of others and that what exists (even if it is not one's own) is part of the strategic resources to solve everyone's problem, a social fabric begins to exist that cares for the public and the private since the sum of these makes up the well-being of all.

It is for what is detailed here that communication, both words and phrases, must have the same meaning for all society and must generate the same commitment in all actors.

Reconceptualize

In Spanish, wealth is defined as abundance or a large quantity of goods, money, or valuable things. If we accept that language conditions the way people see the world and take into account the previous definition, imagine if all Argentines could be rich; these citizens would accumulate a large quantity of goods, objects, and money. But who is going to produce clothes, shoes, or food? Someone might answer that no one, that you can just go and buy them. I would reply that if nothing is produced and only consumed, someday poverty will knock on that society's door.

Given this situation, we see that it is everyone's responsibility to reconceptualize the word wealth, adding to the term the idea of social responsibility, education, health, and the capacity for transformation, which inevitably go associated with talent and creativity.

Being rich does not only imply having the possibility to consume more goods but also implies the obligation to generate possibilities and opportunities.

Someone once explained that every right generates an obligation. That is why I believe it is necessary to reconceptualize many terms and give them the dimension they need so that our language can be homogeneous and shared by all.

Returning to the term wealth, in English there are two terms: one associated with the Latin concept of wealth (richness) and another with the capacity for transformation, the freedom to do and create (wealth).

As an implementation strategy, based on the works of Sapir and Whorf, and giving language the same importance they did in relation to social behavior, we believe that reconceptualizing words to generate a common language and an interpretation of them is the fastest way to produce systemic change.

In this book, we have generated a number of terms (interface point, prematerial, material, postmaterial, wealth, transculturation, critical mass, behavioral behavior, structuralist behavior, economic diseases:

anthropophagy, intellectual dishonesty and corruption, global wealth, available wealth, usable wealth, operational wealth, consumable wealth, capacity for transformation) that must be incorporated, defined, and interpreted in the sense of this work.

Commandment versus organic functioning

When I began writing this book, I tried to liken human society to an organism. And I began to write about the organic functioning of society. From this work, two interesting topics arose: all living organisms consume energy to live. And I believe this is a valid concept for societies. All living and active societies consume energy to develop. And I found that when social actors are classified as people, companies, and government, we find that they are three organisms, not one. Here a theoretical framework was missing so that these three organisms would have functional behavior with a larger organism that contained them. Furthermore, these three organisms had the possibility of taking strategies that were functional to their individual growth and harmed the whole. Trying to resolve that conflict gave rise to the idea of the commandment. This is a concept that, when inserted into each of these organisms, allows them to harmonize. That is why we abandoned organicism, since this scheme was not consistent with development and economic growth. Instead, by imposing the commandment, these organisms harmonized and the possibility of coordinating efforts to have a vector of growth and development began to exist.

Argentina: a testing ground

Some time ago (August 2007) a political analyst questioned why all the major national businessmen sold their companies. And it is worth asking why there are no larger Argentine companies, why we could not develop a significant aerospace or shipping industry, why we have had a very high mortality rate of manufacturing companies. In contrast, our neighbor Brazil has grown and developed in all the areas where we have failed. Some justify this by lack of market. Others by lack of competitiveness, others by the lack of will of our businessmen to go out and sell to the world. Many believe that Argentine businessmen are corrupt, rent-seeking, and protectionist and, therefore, do not deserve any support. And the truth is that the country has very few companies with national capital and a very sparse industrial fabric. What happened that the industrial sector has such disrepute? I suppose that, like all societies, there must be everything in this sector. From corrupt to innovative, passing through the entire existing scale. I believe that the political sector that held power at each moment found it convenient

to have a scapegoat and also, as has been said somewhere in the book, industrialists tend to bother those in power because by knowing all the society's resources, that allows them to evaluate how things are working, so in their relationship with the government sector they expose all its shortcomings. Example: a sick worker neither produces nor consumes. An ignorant worker has very low productivity standards. Inefficient transport infrastructure increases costs. Poor provision of electricity, gas, water affects productivity. A nonexistent financial system undermines the possibility of dreaming of growth. As we can see, health, education, economy, everything affects or participates in industrial development. Faced with this reality, two possibilities arise: either the problems are addressed and solved as a government or the one who points them out is disqualified. The latter strategy has prevailed and is the one our politicians have used. So much so that today, lacking industrial feedback, they continue using the same disqualification strategy in all public discussions with their peers or opponents, thus preventing reflection and the generation of knowledge. The curious thing is that this type of relationship seems like that of two gladiators in the Roman circus, where the whole society is hypnotized enjoying those discussions. It is striking not to hear the voice of intellectuals and journalism clamoring to deepen the knowledge of public problems and their solution alternatives with their respective costs and benefits.

I believe that those who do not operate economically must be the custodians of the system. That is why if the commandment of global wealth is imposed, it moves away from personalized attacks on the ideas of one group or another and focuses on how to improve the stew of growth. It would become richer and bigger.

One day I dreamed of the possibility of gathering at Luna Park all the officials, politicians, military personnel, career officers, of rank and from the last 50 years, and asking them a question: Why are we the way we are? My prejudice tells me that this will lead to endless complaints, a dialogue of the deaf from which no conclusion will be drawn. Because possibly each will have pride in their own management, those who had the bomb explode in their face will have a sea of justifications, and those who assembled and placed it to detonate will look the other way and talk about how beautiful the days before the explosion were. In this way, and without a social judgment related to the present and the historical, these officials will leave this convention reinforcing their justifications or reaffirming their supposed successes. But we will not have drawn any conclusion nor agreed on the most insignificant detail. But I am convinced that if each of these members is asked if they want to impoverish society, the answer will be negative. If they find the definition of global wealth correct, that will

also be affirmative. So, agreeing on these two concepts, why can't we have a rational discussion about what contributed to global wealth and what did not? And what path would have maximized this result? This is where the commandment appears again. You may be wondering what all this has to do with national entrepreneurs.

I believe that since society is not aligned with the commandment of global wealth, the entrepreneurial sector becomes a good to be used and abused to conquer power and remain in it. And somehow, this feeling translates into a sentiment similar to that of a hostage facing a criminal, where anger, helplessness, irrationality, and injustice generate such a buildup of discomfort with oneself that it is inevitable to transfer it to the activity one performs. And one cannot carry out such an important activity for an entrepreneur's life with such levels of discomfort; inevitably, one tends to think that by leaving the activity, one will gain inner peace. The real fight and the heroic act is to maintain the management of resources because the economic rationality of the private sector will be less harmful than the inefficiencies and intellectual dishonesty found in other areas of the economy. Again, here arises the need for a common content (global wealth), a genuine valuation by society of those actors who contribute to global wealth. As happens in central countries, here there is a link in which these actors have social recognition and in some cases this is associated with economic recognition, in other cases with an increase in resources to be managed by them, and in other cases with a mix of both. Example: in an interview by the newspaper La Nación with César Milstein (Nobel Prize in Biology), he said he lives in England. And the journalist asked him how much he earns. He explained that he did not earn much, just enough to live well. He did not need more because he had no way to spend it since he worked from dawn to dusk because he was passionate about his work. But what he did emphasize and marked as a substantial difference between a material country and ours is that if he requests an electron microscope, no one questions the need for it and it is provided as soon as possible. This is a clear example of how this man's technological contribution to English society is recognized not only socially but also with an offer of resources at his disposal. In the United States, it also works this way, but if the researcher is aligned with some private sector or military strategic company, he possibly counts, within the money these companies contribute to his project, on a significant salary or income. In this case, the three recognitions arise. We can extrapolate these examples with industrialists, where they should have recognition for a job well done (innovative products, high efficiency in resource use, low environmental impact, high productivity, support for the industrial network, high competitiveness index, etc.) and for fulfilling many of

these attributes society should facilitate their access to capital, align State resources to increase and favor their line of work (INTI, Ministry of Foreign Affairs, Secretariat of Industry, etc.) If, on the other hand, this industrialist who does everything well feels persecuted by the DGI, feels persecuted by a unilateral Labor Law, feels unprotected by a nonexistent Customs and is also a victim of a macroeconomic strategy that drops atomic bombs on the market and his company, possibly when he reaches this conclusion he will consider the following order of importance. In this analysis, we have to segment the entrepreneurial universe. A first major segmentation is Large companies vs. Small companies. Another major segmentation is if I close my company after labor lawsuits and tax contingents, what patrimony remains. Another segmentation is if the market is monopolistic, oligopolistic or competitive. And another division is based on resources, whether the company is in the material, pre-material or post-material stage. Let's then analyze possible combinations. Large company in material stage, with oligopolistic or monopolistic market has market value, it is worth defending. And in fact, most national companies with this profile were sold for significant sums. Large company in material stage with open market generally faces serious financial and profitability problems cyclically, so its attraction is the sales volume and generally they are sold for liabilities and, with luck, a bit more. Large company in pre-material stage, unless it has a monopolistic or oligopolistic situation, will hardly survive the favorable conjuncture that allowed it to grow. Medium company in material stage, monopolistic or oligopolistic market has market value and can be defended. Medium company in pre-material stage with competitive market has almost no chance of survival, exiting the favorable cycle. Conjunctural sale value in the favorable cycle. As we can see, this entrepreneur, if aware of this situation, abandons ship before consolidating it. Medium company in material situation and competitive market has good chances of survival, its commercialization is very difficult; if lucky, it may ally with a strategic partner and generally lasts as long as the will and capacity of its leaders and successors last. These companies are generally managed by their owners, who know them inside out and manage them carefully. If unfortunately the didactic capacity of these owners is low and they cannot form a succession that adds their experience to the content of their training, generally they do not last two generations. Usually, these companies are part of the strategic network of large companies, so these squeeze but do not strangle. And this allows them good levels of resource accumulation and a good living for their owners, but note that these entrepreneurs who meet the standards of large companies, who have good productivity and good costs, in very rare exceptions have managed to leave this market, these reciprocal

relationships, and impose their products in other destinations.

Small companies

Small companies are in a pre-material situation and if, when a boom period comes, they do not achieve sufficient capitalization, when crises come they end up extremely damaged. In the examples I give, small and medium-sized companies, in a material or pre-material situation, that have survived crises and whose officials have seen and experienced the intangible value of these companies (machines they bought for 100 and during the crisis are worth nothing, investment in technology or processes that are intangible and also lost in the crisis) develop antibodies that desensitize them to the passion for growth, for doing, for things working as planned, and to those small successes that are the resolution of the infinite problems that arise on the path of doing, building, producing. And these antibodies, which arise from the fight against intellectual dishonesty, corruption, cannibalism. The struggle of these entrepreneurs against all these diseases leaves them with sequelae that require deep and long rehabilitation, which with the successive and periodic economic crises we have experienced, there has never been time for this rehabilitation. Here three issues arise: the availability of rehabilitation time for these people, the technology or knowledge of the treatment to be given, and the system's willingness to offer and implement these treatments. I believe it is essential that our political and leadership class understand that most entrepreneurs who have survived need rehabilitation and that those new entrepreneurs who were lucky enough to emerge and grow in some small favorable conjuncture must be taken as genetic material that will, through their example and strength, inoculate and encourage new entrepreneurs on the path of growth and development. But beware: they must be valued, discovered, and cared for, because companies are made by people, countries are made by people, and as happened to Milstein, where talent flourishes, resources must be put. Here I have a discussion with many people who suggest that, given scarce resources, they should be allocated where there are comparative advantages. And I believe the only comparative advantage is the people who carry out the projects. Imagine a virgin sea full of the best fish and a crude and ignorant fisherman; he might fish despite himself, but in the entire process of manufacturing, cleaning, packaging, and freezing, he will not meet any standards, so his production will either be marketed at infinitely cheaper prices or possibly not marketed at all. Now imagine an individual passionate about chocolate who sets up a boutique chocolaterie (the cocoa is imported and sugar has an international price) and through talent, care, and passion develops a product demanded worldwide. If this entrepreneur shows a desire to

grow, which of the two would you help? Obviously, if we have requests from top-tier entrepreneurs, a conflict would arise because resources might not be enough to help both, and this would deserve a separate study.

As we can see, the conflict faced by the entrepreneur: traveling the path of development, productivity, innovation versus the risks of traveling it given that these paths are full of robbers, impassable situations due to lack of maintenance, and risks of flooding or landslides due to poor planning, often leads to abandoning these highways and staying on a known path whose territory does not offer the uncertainties of these long journeys. Possibly this decision is wise for the entrepreneur but does not coincide with what a country needs to be built. I believe the metaphor I propose goes beyond institutional frameworks as it includes many technical factors that are as important as having good institutional management. Now, if we talk about institutionality and include within it maintenance, quality, strategies, destinations, etc., the term might be well used. In this paragraph, we have tried to convey the drama of the adventure that is trying to build a company. And that it be global and have multiple markets. This not only requires the entrepreneur's will but also the support of the whole society. When this is not the case, diseases emerge and end up, one way or another, preventing arrival at a good destination.

Explanation of the crises

Our country has tested different economic hypotheses, many of which have been taken to unimaginable extremes, inevitably ending in structural crises (hyperinflation, trade balance crisis, etc.), which were never explained comprehensively.

In the time of President Menem, for example, there was a significant deficit covered by public debt. Economists maintained that this was the fundamental problem. They did not mention that if that money had been used for the generation of industries and jobs, the situation would not have been so catastrophic.

Another fundamental issue is that even if the disease is detected early, it is always difficult to determine when the situation will become a crisis. Example: suppose my company enters a financial deficit, that is, it pays more than it collects. The problem is detected in time, and then one wonders how long this context can be sustained. If there is a cash deficit, it is covered by partners, banks, or a capital market. There is an external limit to obtaining financial resources and also an internal limit: one can endure any mismatch as long as it does not threaten the company's overall wealth. This means that if the expenses generated by this singularity exceed the difference of available stocks plus the

increase in transformation capacity of the period, I am entering a danger zone that in the short term will have a dramatic outcome. This same situation can be recreated in the case of people and countries. In the particular case of companies and people, if interest plus taxes exceed the variation of available stocks and transformation capacity of the same period, there is a crisis. In national terms, we can say that if interest and obligations paid by the government and companies exceed the increase in overall wealth, a crisis occurs. Returning to Menem's time, during it, the National Government covered the cash deficit with bonds that had an internal rate of return of 20%. The total debt was around one hundred sixty billion dollars accruing an average of “x” interest. The financial cost of this whole scenario at some point began to exceed the differential generated by the system in the same period. To cover this mismatch, resources had to be taken from different social actors, so pensions were not updated, taxes were increased, public assets were sold, etc. And this pressure applied to the weakest sectors of society led to the bankruptcy of countless small and medium-sized companies. Our company, during that period, paid one million two hundred thousand dollars in interest. Before the devaluation, it owed one million two hundred thousand dollars and invested four hundred thousand dollars in machinery and technology to increase its transformation capacity. Therefore, we can affirm that there was a large transfer of resources from the company to the financial sector and from there to the government. If it had been possible to talk about overall wealth during this period, the concept would have been an excellent argument to steer deviations toward an administratively viable situation.

The proposed crisis equation is based on the idea that the interest plus the global taxes paid by the system must be less than the increase in the available stock plus the transformation capacity of the period. Suppose that this interest and taxes end up going to the public sector, which uses them to feed the population. At the end of the period, the available stocks decline and the transformation capacity is at best constant. If this situation persists over time, it eventually causes structural imbalances that lead to major crises.

Another perspective to analyze the equation is that of money (What did I do with the loans I took? What did I do with the resources I managed?). If these have been handled correctly, we will quickly see an increase in stocks available and/or transformation capacity. This will make the system sustainable. Example: The United States has been running very significant structural deficits, but the dollar remains the reference currency. Many economists predict the end of the empire, but that society still maintains its hegemony and power. Within classical economics, this has no rational explanation, but if we take the

global wealth model, we see that a very important part of that public spending ends up being allocated to increasing the transformation capacity or available stocks of the system. Now suppose the U.S. government has a fiscal deficit covered by bonds, but that money is assigned to developing a chip that resists gamma radiation and has a high processing speed for nuclear projectiles. The cost of each of these will be millions of dollars. Despite this, thanks to the development of those chips, new market possibilities open up for the corresponding company. Within our definition, this entire context constitutes what would be the increase in transformation capacity. This company does not increase its electricity consumption, does not increase its silica consumption, nor does it increase its staff. What grows is its transformation capacity by offering better products. So, in global terms, that deficit produced as a counterpart an increase in capacity in the private sector. This management is what makes U.S. deficits sustainable. The day that society loses the ability to increase transformation capacity through technological innovation correlated with the fiscal deficit, we will be facing the prelude to the crisis of its currency.

As can be seen, in this entire scheme we have reconceptualized the main concepts of economics, and this allowed us to interpret reality in a more objective and predictive way.

It is not wrong to go into debt or have financial deficits. What is terrible is that these realities have no counterpart in available stocks or increases in transformation capacity. It is important to remember here that transformation capacity is measured by weight per unit of sale. Practical example: in the case of aluminum carpentry, the kilo of the product is worth nine dollars, and the kilo placed on an airplane wing costs one thousand dollars. Therefore, if the company suffers any of the previous deficits but is dedicated to building airplanes, the possibility of being profitable and resolving the anomalies is certain and concrete. On the other hand, if these persist and to fight them we have no available stocks or transformation capacity, the only thing left to avoid ending in a crisis is a miracle.

Future of Argentina

In our country, there were times when entrepreneurs, taking risks and having ideas, could prosper and grow. Slowly, that universe of entrepreneurs has been attacked by the way certain economic policies were implemented.

Many of our economists believe that to build a future, the past must be destroyed. It is true that if one does not have a social group that questions the measures to be taken, implementing strategies becomes

easier. But here there is a conceptual error: the resistance to implementing economic policies is not in the power groups but in the main operator, which is the State. Nowadays, large companies are functional to it, since they are the tax retention agents (collectors), the administrators of infrastructure, the armed arm of monetary policies (banks). Much of the major economic conglomerates depend on the government and are functional to it.

What happened to the millions of entrepreneurs and businessmen who existed in the 1960s? They have been defiled and machine-gunned. Today there remains a mass of small companies that take 80% of the work and receive 20% of the national income.

Our politicians have two objectives: to conquer power and to remain in it. It is to be hoped that at some point these two objectives will be subordinated to a social mandate. Unfortunately, since the social mandate is not linked to the conquest of power and its permanence, the strategy is to rent millions of people who are in a pre-material stage. Through this mechanism, they have turned all small companies and entrepreneurs into hostages or goods for use and abuse. It must be clarified that a country is built with citizens, not with hostages.

Despite the poor implementation of economic policies, the country has somewhat improved in terms of infrastructure and resource exploitation (transformation capacity), but it is very damaged in education, health, and industrial interweaving. The result of this reality has two aspects: the economic result, which could have been better than it is and with more interesting strategic positions, and the social result, made up of the millions of unemployed we have managed to create.

Let us apply the knowledge developed in this book. Is any political party proposing to educate technical cadres to manage our society? The answer is no. Is any party discussing a mandate that allows setting a course in the spirit of regulations and in the interpretation of laws? No. The absence of these two elements inevitably makes our main economic operator, the Argentine National State, unable to manage any active policy at unicellular levels. Our politicians solved this problem by riding on the administrative structures of medium and large companies, ignoring the importance of entrepreneurs and small companies in the social fabric, thereby generating ten million unemployed, who end up being rented by the system with a Work Plan, Heads of Household, or a training plan. This whole situation ends up being paid for by the middle and upper sectors.

The curious thing about this entire social framework lies in the fact that it is the product of the government's inability to care for and create spaces where these entrepreneurs and businesspeople can carry out

their activities.

It must be acknowledged that businesspeople are troublesome because all social problems converge on them. If the transportation infrastructure doesn't work, their employees arrive late to work; if banks don't provide loans, they can't buy machines; if their employees can't get educated, their productivity doesn't grow, etc. Thus, in business activity, all social shortcomings are concretely present, making it a test of social reality. To resolve this situation, a sector of Argentine politics began to spread the rumor that businesspeople were corrupt, rent-seekers, and protectionists. From this perspective, they justified their inability to care for these job and opportunity creators, leaving the underlying message that it was not important if businesspeople disappeared.

Returning to our analysis, a society that does not generate jobs, whose capacity for transformation is impaired both qualitatively and quantitatively, and that relies solely on the extraction and export of raw materials is a weak society, heavily exposed to fluctuations in international prices. Adding to this context a public spending heavily oriented toward populism, economic crises become inevitable. In each of these crises, from 1966 to the present, we have lost various sectors of industry, businesspeople, companies, and entrepreneurs. In each one, we have also gone out to ask the world for help. On the opposite side, during each of these moments, our neighbor Brazil has been strengthening, generating better companies and creating sixty million jobs in the same period. In the future, it will be inevitable that some of these Brazilian companies will need to complement ours. On the other hand, given Argentina's regional weight, it is very dangerous for our neighbors to have a socially sick neighboring country since we can infect them.

The sum of these last two arguments, added to the fact that no country disappears, leads me to build the following hypothesis: we will end up under Brazilian jurisdiction. Their influence over us will be basically monetary in the following way: when we go out to ask the world for help in our next crisis, we will be asked if we feel comfortable with MERCOSUR. Upon our affirmative response, they will suggest that we copy the Europeans and create a common currency among the member countries. In the European case, the currency began to be issued by Germany as the most influential country in the region. If this reasoning is followed, in the Southern Common Market the currency will be issued by Brazil. From this situation, our presidents will be strongly conditioned in their policies. It is important to note that currently Brazilian companies own Petrobrás Argentina, cement companies, clothing factories, and an overwhelming share of alternative churches on Argentine television. Additionally, Brazil has

decided to make Spanish teaching mandatory in primary and secondary schools. With all these facts, if our politicians do not generate a broader strategic vision, we will end up transforming into an appendix of Brazil.

Price policy for people

The price problem will be approached from two different perspectives. One is that of the social actors who manage resources (companies and governments), and the other is that of those who consume resources (people). Each price portfolio defines a consumption portfolio. Additionally, we have to add to this definition the interface point, that is, the income level from which people begin to face other needs that are not essential for life but that they consider necessary to live. For example: I have friends who think life in the United States is very cheap. These people believe that because they measure it based on GAP and Banana Republic offers, forgetting that they are on vacation and that if they added to their purchases the costs of tickets, stays, and so on, it would surely have been cheaper to buy in their country of origin. Others are dazzled by the possibility of having a house or a car to pay off in thirty years. It is true that if one is lucky enough to be inside the system, having access to a mortgage or credit to acquire these goods is relatively easy. But the authentic comparison consists of seeing minute by minute what is spent in the country of origin during a day and what it would cost me the same in the United States or Europe. One would have to see from getting up in the morning and going to breakfast here for three dollars, when in the United States the same costs ten dollars, associating this situation with equal quality and location. Then we continue minute by minute and see in our monthly portfolio how much is spent in one country or the other. So what I am trying to propose is to associate quality of life with time, income, and costs. This is a genuine and valid comparison. For I dare to assure that a Japanese worker who earns three thousand dollars a month has a quality of life infinitely lower than a person who earns the same in our country. This means that the same three thousand dollars are not the same in Argentina as in Japan. Therefore, it is essential to see what portfolio of things can be done with that money here and what in Japan. Possibly a change in relative prices modifies the activities one does. For example, if I am a member of a club and its fee increases to a thousand dollars a month, I will surely leave the club; if all clubs have the same fee, I will probably leave the activity. That is why I choose not to talk about prices but about portfolios of activities over time and their respective valuation. It may be cheaper to bring pants from China, but surely the time it would take us to buy the pants from China and the national pants is the same.

And suppose the quality is the same. In one case, I would be paying for the act of purchase plus price more than in the other. But we have to consider what happens with the job that would be lost due to the imported product, and see if that price difference justifies the security costs due to the marginalization produced and social assistance as a palliative. Surely that access to a cheaper product (pants in this case) implies one more unemployed or marginalized person present in the system. Inevitably, this issue will cause an increase in security expenses within my portfolio. Also, only those who keep their jobs will be able to enjoy the satisfaction of buying more products because of their lower price.

Here enters the issue of pre-material and material societies. What I propose is that negotiations with societies offering products cheaper than those we can produce internally should be carried out taking into account that the impoverishment implied by losing a production sector must be matched or exceeded by the growth of another. The other possible type of negotiation is based on the volume of products. Each kilo of clothing imported from China should imply “x” amount of tons of soy and meat. In this way, we keep the equation of global wealth unchanged. If this is not considered, we are inevitably condemning some sector of society to poverty. It may be that, with a bit of luck, global wealth remains constant, but by choosing this strategy we are producing a worse quality of life for those who failed to keep their jobs, since it is very difficult to live surrounded by needy people with interface points infinitely lower than one’s own. In classical economics it is considered that the savings produced by the supply of lower-priced products will end up being invested in sectors of higher productivity, acquiring comparative advantages. For this to happen, it is essential that the government leads all situations generated around this transformation and for that it is indispensable to have content along with a critical mass of officials aligned with it. Otherwise, what we will produce is a fiction (intellectual dishonesty) that will last as long as the conditions of the environment allow (at this moment commodity prices, at another international credits, at another flow of petrodollar currencies). Each of these eras was managed from a fiction and the final outcome was always a crisis.

In Lacht’s book, he himself acknowledges that investment as a percentage of GDP between Brazil and Argentina in the same period (of Martinez de Hoz) was 11% higher but what economists cannot see is that this investment produced an increase in transformation capacity of a very high percentage compared to what it had. And also from 1966 until now Argentina lost twelve million jobs and Brazil incorporated sixty million people into consumption and work. With this I want to say that prices in pre-material societies must be handled very

carefully because if we compare our productivity with that of a material society we are absolutely convinced that with resource levels per job of ten thousand dollars it is not very easy to compete with companies that have one hundred thousand dollars per job. Possibly in China, in the same activity, they have fewer resources per job, but pay salaries infinitely lower than ours. In the hanger factory, when I made the dumping case, one of my employees had ten times more productivity than a Chinese one but despite being able to compete on price within that reality, the cannibalism to which I was subjected, and the intellectual dishonesty with which our economists were handled, almost led me to bankruptcy. In the period I refer to, imports were used to control prices and the interest rate to monitor the money supply, therefore, inflation did not occur. We businessmen were caught in that vise. The armed arms of that whirlpool were supermarkets and banks. What I paid in interest during that period would have allowed me to have a robotized factory today. If that had been possible, currently the white quebracho, which at best becomes charcoal, would be hangers, impacting the use of white quebracho wood on the ecosystem infinitely less. If this raw material had a more dignified destination, it would have added value to those lands simply by having a forest whose wood has a use. For all the above, I believe that in the conventional interpretation of price we are talking about productivity and I think this view is dangerous because there are some situations that can lead to impoverishment and marginalization of vast groups of people.

Conclusion: it is important that we differentiate price strategies in pre-material countries and in material countries. This same thing we have told, in material countries instead of generating unemployment and impoverishment, as long as jobs are maintained, increases the purchasing power and quality of life of employees. Therefore, an automatic price policy or one based on supply and demand can be extremely dangerous for pre-material countries. The next question is:

What is to be done? Here two strategies are presented: an ex ante one, consisting of modeling this economically and based on that managing economic openness and the other, ex post, in which jobs, the quality of our exports and their price density are measured from which import controls are carried out.

It is impossible to carry out any of these policies if we do not have a critical mass of people aligned with our project with behavior imbued with intellectual honesty, in short, a group of people who in either case understand and defend the global wealth of the system.

Price policy for those who operate economically (companies and government)

At this point the problem becomes more interesting, since the competitiveness of companies is largely a function of the resources surrounding the jobs.

Here we also have to segment the actors because the government is affected by price policy in one way, capitalized or material companies are affected in another way, pre-material companies are affected in another way and also the link between these actors is part of an interweaving. It is important to note that material companies generally have monopolistic or oligopolistic positions, making them very prone to cannibalism. The government, which has a negligent style of resource management, is also prone to handling the fiscal apparatus in a way that produces hostages. And the weakest, small companies, are a good for use and abuse by others.

It is important that the entrepreneur can acquire capital goods and consumables and raw materials at the lowest possible price, since these two factors strongly participate in their cost and productivity.

As we have explained in the example, many large companies take advantage of this situation to set prices that take competitiveness away from manufacturing industries. And to all this must be added access to credit and fiscal cost. These last two points are transcendental, because if a company knows it can pay for its capital good in the term for which it obtains credit and that, if it has a market, allows it to cover this resource in a way that does not substantially affect the price. Example: being in Santiago del Estero I came across a carpenter who made little chairs for children, which were beautiful. I bought three or four, brought them to Buenos Aires, showed them to my people, they agreed it was a good product and we saw the possibility of marketing it. I went back to see the gentleman and offered to buy a thousand chairs. The price at which I had bought the first was one peso and now, for the new order, he asked me for two pesos. I asked how it could be more expensive by quantity, the gentleman very simply could not explain the reason for the price difference. I was interested in understanding what was happening. So I went back to see him and asked how he had calculated the new price. And he explained that for the quantity I was asking and the term, he had to buy a lathe, a bandsaw and some other machine whose total cost was one thousand pesos. Divided by the thousand units gave one peso per unit. As we can see, this worker mixed economic aspects with financial aspects and prioritized the financial aspect, since one hundred percent of the machines were charged to this sale. It would have been very different if this gentleman had known that with a purchase order of a thousand units he could go to the nearest bank to his workshop, and end up buying a machine to pay in twenty years, so the impact of the machine was going to be minimal, and the price

would have been substantially lower. As we can see in this example, a pre-material industrialist, if he does not have significant financial and market assistance, will very hardly be able to update himself and reach international standards. Now, this gentleman who cannot match his price and financial reality to the international price—does he have to survive, should we help him, or make him disappear? How do we decide this? In this analysis, from our hypothesis, we have to look at it from the perspective of global wealth.

As we can see, the entrepreneur in the example generates transformation capacity because he transformed a raw material into an object of greater value. Therefore, he is increasing the capacity for transformation and, consequently, global wealth. It is indisputable that if the selling price of the product is less than the raw material associated with producing it, it is an activity that must disappear. Now, imagine that in an African country the government collects royalties from the exploitation of its closed forest wood and gives them to its entrepreneurs, that is, it is subsidizing the production of its entrepreneurs. Again, here the finished product will be cheaper than the one produced in our country. What do we do? Do we say that our producer is inefficient? That he is not competitive? Do we lose that production sector because a government decides to subsidize its entrepreneurs? Here again several strategies arise: the material world decides to produce where they give or subsidize production costs (Example: China) and thanks to this they gain a market for high-tech products and improve the quality of life of their inhabitants because with the same income they can consume more products or generate savings that may possibly be transformed into new technologies, and this circle seems to be virtuous. A pre-material country, spectator of this scenario, must manage the entry of those products with great judgment and use them as a tool to improve the competitiveness of its companies. It is logical to think that these asymmetries are not eternal and one day one may face structural changes of unimaginable dimensions. For example, the dichotomy between non-renewable and renewable energies. The day we discover that oil is not enough, countless industries that based their entire strategy on this resource will be left disoriented. That is why several games must be played simultaneously to have alternatives when the situation changes. What is clear is that if there are scarce resources to manage, they should be assigned to companies that generate greater global wealth, but this should not be taken dogmatically because the chair gentleman, despite the fact that raw material is given away in Africa, can contribute his talent (design, quality) and have a sophisticated product that deserves to be supported. Therefore, for me it is very difficult to assert that a production sector must disappear. At most, I would dare

to say that there are entrepreneurs who cannot continue in that activity but there are other entrepreneurs who with capacity and talent demonstrate that the impossible is possible and these singularities that flourished in adversity deserve to be recognized and supported by society. Unfortunately, this molecular economy that I propose does not articulate very well with the big numbers of macroeconomics and goes unnoticed. As we have said in the Blockbuster example, this idea that today is a multinational, obviously its potential at the beginning was not reflected in the GDP or in any economic statistic. Here the importance of talent, the vision of the entire chain of entrepreneurs and investors that allowed this idea to become a multinational company is seen (I take this idea because I consider it could have arisen anywhere in the world and I believe that in material countries, due to having more resources to take risks and the need to generate new business spaces, since anthropophagies, intellectual dishonesty, and corruption are limited or punished, they are forced to look kindly at these new ideas). In the case of a pre-material country, an idea like this, with very few resources, can be taken to a pilot scale and the country and society would have to have the capacity to recognize its attributes and align possible resources to export it.

For the reasons explained above, we do not talk about prices because if we do not have a well-defined contextual framework, we will risk prejudging activities and entrepreneurs. Each society will have to find its price equilibrium and it will be modified as its pre-materiality decreases until reaching productive contemporaneity. And it must be clear that prices are the consequence of many factors and that the simple and plain result of them does not mean the absence of competitiveness or comparative advantages. It is fundamental in this proposal that the government, with its critical mass of officials, has the capacity to evaluate and value sectors, their contribution, their singularities, their needs, and based on this take actions. That is why I do not talk about prices because I consider that each society begins the path of growth with an equilibrium and it is permanently modified as productivity varies, technologies change, infrastructure improves, etc. That is why it is essential to take care of what exists and monitor growth and development so that within the universe of possible combinations we choose the shortest path.

Speaking of paths, it is important that we know that being a pre-material society we are watching the course of material societies and this generates advantages and savings because we know what is possible and with a little intelligence we can also know how to achieve it, thus avoiding all the costs produced by being pioneers.

The more productivity I have, the more I can sell

Regarding whether something should exist or not, I have seen, in the name of productivity, situations of tremendous injustice. For example: before 2001, most companies were obsolete, unproductive, and destined to disappear. The devaluation came and they became prosperous, profitable, and competitive. How is it that by an economic act companies that previously could not export now can and gain market? Again, the issue of prices is linked to the country's monetary policy. So let's notice that if we talk about prices we have to talk about the value of the currency and financial possibilities.

Another interesting topic to consider is the role of the State, for example in the United States the State generates indirect subsidies to investment in technological development. Example: at a family gathering, Marcela's uncle, my brother-in-law, was invited. This gentleman is an engineer and works in California at a company that develops microprocessors. I ask him what he is working on and he tells me they are developing a microprocessor that has to withstand exposure to certain levels of gamma radiation and also have an unusually high processing speed. I ask him who it is intended for and he explains that it was requested by the Department of Defense for the missile system. One of the problems is that if a nuclear explosion occurs near other missiles, their electronic parts would be affected. Also, a missile flying at thirty thousand km per hour requires an extremely high processing speed for all commands. I asked how many they requested, and the reality is that the order was for thousands. And how much do they pay you? Millions. And in the development of this product, the American government, with thousands of chips, allows the manufacturer to equip themselves, develop the technology, and have the possibility of having a product of a higher level than those on the market, having absorbed the development and implementation by the American State. Therefore, the prices at which the American government bought this type of product allowed the development of technology and consolidated leadership in the market with better products.

In the previous example, we can see how subsidy policies, financial policies, and monetary policies can affect the selling price of a product. This shows that to compare similar prices, we would have to compare similar policies; otherwise, we are comparing apples and oranges, prices and productivity. In other words, if all boundary conditions are equal, we can compare prices and productivity. And if this situation does not occur, what we are possibly generating are transfers from one country to another or from one sector to another. As we have explained, whenever the exchange involves a balance of wealth between clients and suppliers, or an increase in wealth in both cases, it is welcome. In the case that any participant becomes impoverished,

there is intellectual dishonesty and therefore it must be fought, since generally if these asymmetries persist, they lead to situations of violence or unrest or that do not last over time.

In all of the above, we have tried to explain that price and productivity are strongly related to their environment. Part of this can be comparative advantages and part are State policies; this is why we consider that a sector of the economy should not disappear as long as it contributes to global wealth and it should be eliminated only if we replace it with a sector that generates more global wealth than the previous one.

* * *

Regarding "If The Economy Is Up, Why Is America Down?"

Gross Domestic Product, better known by the acronym GDP, is a simple but problematic concept. This indicator attempts to measure the wealth, goods, and services of a country produced during a year by nationals and foreigners, in real terms or at market prices. When GDP grows, the wealth of a country grows. But the wealth measured is that which is subject to commercial transactions in the market. When money changes hands, GDP accounts for it. Everything that has a price is part of the wealth and therefore the well-being of the nation. Nothing without a price is included in a country's wealth, such as air, the work of housewives raising and supporting a family, the self-consumption of peasants and the work of their women and children. Nor does the voluntary work of thousands of people in voluntary associations, such as community actions, educational boards, etc., form part of the GDP.

Because of these deficiencies of GDP, and generally of the national accounts system, a worldwide debate has been generated. In the United States, GDP as a measure of wealth and well-being is questioned, as well as the concomitant economic policy that seeks to increase and raise GDP without considering how. The phrase "the economy is doing well but the country is doing badly" has its equivalent in the US: "If the Economy is up, why is America down?" (Cobb et al. 1995). The mass media and the government revolve around headlines about the ups and downs of GDP, and have ended up turning it into a modern tribal totem, to which everything is sacrificed and everything is devoted, but without the people accompanying the manipulators of public opinion and the government in the rituals, and even with the paradox that people feel pessimistic about their future despite the good omens and flattering figures from politicians, economists, and

journalists.

GDP assumes by definition that everything produced is "goods." It does not distinguish between costs and benefits, between destructive and productive activities, or between sustainable and unsustainable activities. GDP, the most important indicator of a country's wealth, is like a machine that only adds but does not subtract. Everything that happens in the market is income, and everything that happens outside the market simply does not exist. It is invisible, regardless of what it contributes to well-being.

The breakdown of the family and small local communities, which greatly affects the social fabric, in terms of GDP adds but does not subtract. For example, divorces add small fortunes to lawyers' pockets, the need for a second home, the fees of the psychologist to attend to the emotional imbalance of the children, the mother's work outside the home, etc., all add to GDP. A real estate agent told the Chicago Tribune: "unfortunately, divorce is a big part of our business. It almost always means a house to sell, and sometimes two to buy." The increase in crime has given rise to an entire prevention and security industry, with immense revenues, 65 billion dollars in the US. American children watch 3 hours of television daily and barely spend 5 minutes alone with stressed parents. While the second activity adds nothing to GDP, the first creates consumers, often compulsive. And thus appears the "Kiddie market," then the Teen market, which moves more than 200 billion dollars, no matter how much unhappiness, loneliness, and stress it causes in the way of life. Economist colleagues teach us that people maximize their happiness. A romance novel that few believe, unless they are economists!

Something similar happens with the environment and natural resources. The more they are depleted, the more GDP grows. But by doing this, a gross accounting error is being made, a vision error, Schumpeter would say. "Buildings, equipment (...) are considered income-producing capital, and their depreciation is accounted for as a charge against the value of production; such practice recognizes that consumption cannot be maintained indefinitely by drawing on capital reserves without replenishing them. However, natural resource assets (arable land, minerals, timber, etc.) are not valued in the same way: their loss, although it may lead to a significant reduction in future production, does not imply any charge against current income" (Repetto 1992). This attitude of ignoring in accounting the costs involved in the misuse of nature and planet Earth, the only place where we earthlings can live, has raised warnings, even from the most conservatives of the world: former World Bank official Herman Daly has said that national accounts treat nature as if it were a business in liquidation. Barber Conable, former president of the World Bank, said:

"current calculations ignore the degradation of the natural resource base, and see the sale of natural resources entirely as income (...) a better method has to be found" (Cobb et al. 1995). But GDP remains unmoved by the criticisms. When a chemical factory produces goods, they are added to GDP; but since it also produces "bads," pollution and poisoning of the air, water, and soil, millions of dollars are spent cleaning the environment, which also adds to GDP. Destructive, unsustainable activities add twice to GDP. The extra costs, coming from pollution that poisons and kills living beings, plants, and animals, such as doctors' bills, medicine costs, hospital bills, and funeral expenses, all add to GDP. Congressman Allan Mollohan of the US hit the nail on the head when discussing the coal issue. If national accounts were to include the depletion of coal reserves and its effects on air pollution, he said: "someone will say (...) that the coal industry is not contributing anything to the country" (Cobb et al. 1995). Have Colombians already done the accounts for coal, oil, gold, platinum, etc.?

With the erection of GDP as the great economic and social totem, politicians and economists have forgotten the warnings of Simon Kuznets himself, Nobel laureate in economics and the designer of national accounts in the 1930s. Kuznets, in a report to the US Congress in 1934, trying to clarify the limitations of national accounts, said: "The welfare of a nation (...) can scarcely be inferred from the measurement of national income, as defined before." Even in 1962, Kuznets said: "Distinctions between quantity and quality of growth, between costs and returns, between the short and long term, must be present in our minds (...) the goals for more growth should specify more growth of what and for what" (Cobb et al. 1995).

* * *

Tools, strategies, and confrontations

Macroeconomics

In this section, we will compare the traditional concepts of economics and show the different perspectives in the interpretation that we give them. We believe it is fundamental that these concepts, in their essence, are aligned with our thinking. That is why we will take paragraphs from books and try to discuss them from a literal interpretation to our structural vision. Their differences and the reasons why.

Basically, what was previously stated has to do with the transcultural problem. For example: if we take the definition of economics, which is the science that manages scarce resources to satisfy human needs, and we take the measurement of GDP as a unit of measure to see what resources we have, then a GDP that increases because we are indebting the country is not a measure that fulfills this definition and objective of an economist. That is why we believe that the tools of economics alone are not a value. The value is given by content. As we have said, if the content is to satisfy human needs, it would be good to evaluate all macro and microeconomic parameters from this perspective and act accordingly so that it is so. In a transcultural situation, we might believe that if GDP increases, the balance of payments improves, the fiscal deficit decreases, the openness index improves, etc., we are in a better country. And not by meeting these indices are we necessarily in a better country. A better country is one that has more resources to satisfy the needs of society. That is why in this work we try to impose the concept of global wealth, which is more comprehensive than the definition of economic sciences. And it is also more aligned with the essence of what Adam Smith proposed. I suppose that this economist, when he proposed his economic theory and spoke of utility as the axis of human motivations, looked at the social behavior of his time and tried to extrapolate the behavior of successful people. From this situation, he proposed an entire strategy for the allocation of resources. Curiously, that rational behavior is not so immediate for people, companies, or countries. It is tinted by inertia, prejudices, beliefs that offer resistance and delay this rationality. Also, in Adam Smith's belief, what is obvious to him is not usually so, and common sense is the least common of senses. That is

why teaching this economic basis assuming that utility is the engine of decisions when it is sometimes difficult to measure and where possibly this concept is closely linked to wealth can lead to conceptual errors among students. Therefore, I believe that a serious problem, among economic diseases, is transculturation. Because phrases are taken and not paragraphs, which carries serious risks of making irreparable mistakes.

Macroeconomics is the branch of economics specialized in the analysis of aggregate variables, such as total national production, income, unemployment, the balance of payments, and the inflation rate. The main difference with microeconomics is that it studies the composition of production as well as the determinants of supply and demand of goods and services, how they are exchanged in markets, and how their relative prices are determined.

What was previously explained, if taken literally, is as if we were talking about two different worlds. And the tools used by macroeconomics are fiscal policy and monetary policy. And these two policies are not inert for microeconomics, for example: when the management of Economy Minister Cavallo with Menem began, the annual interest rate for SMEs was 12

%, inflation was low. With that interest rate, as a businessman, I dared to go into debt. Because my company could support that interest, but the lack of control in public spending due to populist policies and the need to align social actors with the liberal monetarist ideology of the moment led to the annual rate at constant currency for an SME being 36% after four years. The domestic market was absolutely flooded with imported products due to negligence in customs control, supermarkets and large companies financed much of their expansion with payment terms stretched to infinity, etc. As we can see, monetary policy reflected all the inefficiencies, intellectual dishonesty, and corruption of the public sector, camouflaged with a transcultural free-market and monetarist discourse, which led to the 2001 collapse. Gentlemen, a gesture in macroeconomics is an atomic bomb in microeconomics, and thousands of micros together barely move the macro, but we are the ones who manage the labor resource of 80% of the population.

That is why teaching macroeconomics without the corresponding consequences in microeconomics is extremely dangerous. Because it is not the same to have a kilo of grapes as a kilo of gold. In both cases, we can say we have a kilo of something, but in one case we have three pesos (kilo of grapes) and in the other several thousand dollars (kilo of gold). That is why we believe it is fundamental to explain the quantitative and qualitative differences of what we are studying to have

a correct dimension of the subject.

In macroeconomics, it is crucial to have a clear concept of national product, or national income, that is, what is known as gross national product (GNP), which measures in monetary terms what is produced in a country, that is, the final production, which must correspond, by definition, to final demand. It is important to avoid double counting of production, that is, intermediate goods production should not be counted because they would appear twice: as intermediate goods and as part of the value of final goods. However, there are different interpretations of international agreements regarding what can be considered an intermediate good and what is considered productive activity. But these different interpretations require a very specific analysis that is far from what adopting resolutions on economic policy and the core of macroeconomic theory entails. It focuses on studying the composition of the GNP, regardless of international agreements and their interpretation, and on analyzing the determinants of economic stability, as well as the relationships between aggregate variables. The 'potential' GNP at a given moment depends on the quantity of available production factors — labor and capital — and technology. These three elements change over time; the analysis of their modification in the long term constitutes the core of a branch of macroeconomics known as growth theory. But, for a specific moment, in a static analysis where capital, professional training, workforce education, and technology are given, 'current' production will depend on the utilization of available capital and labor. Thus, this production may be lower

to potential if there is unemployment or underutilization of available capital.

Wasting or underusing labor causes social problems, which is why macroeconomic theory has focused on studying the causes and consequences of unemployment. Until the publication in 1936 of the famous The General Theory of Employment, Interest and Money by John Maynard Keynes, the classical explanation of the causes of unemployment stated that it was due to rigid structures in the labor market that prevented wages from falling to the 'equilibrium' level. The idea underlying this model is that when there is massive unemployment in the labor market, the availability of unemployed workers should reduce wages to the point where some would not be willing to work (thus reducing the labor supply) and companies would be willing to increase their workforce as the lower cost to pay (the wage) made hiring profitable. However, if there is rigidity or inflexibility that prevents wages from falling to the point where supply and demand equalize, unemployment will not decrease. Examples include, for instance, the action of a union that enforces a minimum wage, or

legislation that requires such remuneration.

Keynes's main innovation was to assert that unemployment can be due to insufficient demand and not to an imbalance in the labor market. This insufficiency can occur because planned investment (the investment entrepreneurs want to make) is less than available savings. This constitutes a 'leakage' of money from the circular flow of income, created through the production of goods and services and used to buy those same goods and services. This leakage of income reduces the level of aggregate demand. Real investment (also called capital formation), which allows the production of machinery, factories, housing, etc., has the opposite effect — it represents an injection of money into the circular flow of income — thus tending to increase the total demand for goods and services.

In the early 'classical' models of unemployment, like the one described above, the possible insufficiency of aggregate demand in the goods and services market (goods market for short) was not taken into account. It was thought that any difference between planned savings and planned investment would be eliminated through an adjustment of interest rates. For example, if planned savings exceeded planned investment, interest rates would fall. This would reduce the supply of savings and at the same time increase the demand for investment because companies would be willing to borrow at lower costs to buy machinery, offices, etc. In other words, variations in interest rates would be the force that balanced the goods market, just as variations in, for example, the price of apples would be the force that balanced the supply and demand of that product.

On the contrary, the Keynesian model emphasizes the importance of variations in the level of production and employment as balancing movements that would allow investment and savings to be equalized, thus determining the equilibrium level of total national income and national production. But this does not have to correspond to the point where labor supply equals demand. Moreover, according to Keynes, a decrease in wages in this situation would not help reduce unemployment for a whole series of reasons he set out, mainly in chapter 19 of The General Theory. Of course, Keynes was not the first economist to point to insufficient aggregate demand in the goods market as a cause of unemployment. As he himself acknowledged, Thomas Robert Malthus and other economists had already suggested this type of cause. Furthermore, at the same time Keynes published his work, and independently, the great Polish economist Michal Kalecki was disseminating a theory pointing to the same reasons.

The 'Keynesian revolution' implies that, in macroeconomic terminology, the 'goods market' would be in a state of

'underemployment' equilibrium by not allowing the labor market to reach equilibrium. Therefore, in the latter, employers do not hire the workers they would need to maximize profits if there were sufficient demand in the goods market. In the following years, macroeconomists worked hard to analyze concepts such as 'underemployment equilibrium' or 'limited labor demand.'

During recent decades, Keynes's theory has been refined. For example, although there is still disagreement about the relevance of wage rigidity, significant advances have been made in explaining the causes of this rigidity without resorting to the argument of unions or government minimum wage regulation. At first, it seemed difficult to reconcile the notion of wage rigidity with the classical economic assumption that people try to maximize their utility, which would theoretically imply they would be willing to accept a lower wage just to be able to work. However, as the number of variables analyzed expanded and others such as long-term welfare maximization, loyalty, pride, and other sociological and psychological variables were taken into account, it has been possible to reconcile labor market disequilibrium with the classical assumptions of maximizing behavior.

Another important aspect of modern macroeconomic theory stems from the importance Keynes gave to the effect of uncertainty on economic behavior. It involves analyzing asymmetric information to explain aggregate unemployment, also using some elements of game theory. For example, companies would hire more labor if they knew for sure that the rest of the companies would do the same, so that the resulting increase in wages paid would allow an increase in the aggregate demand of the economy and, therefore, the demand for their products. Since there is no mechanism that allows taking this type of collective decisions favorable to all, the result is an underemployment equilibrium that shares some characteristics of the 'prisoner's dilemma' situation, in which each individual company selfishly decides to secure its own profits, even though if information were pooled and decisions made jointly, greater profits could be ensured for all. Other theories about the labor market — such as the 'inside-outside' worker theory, which highlights the conflict of interests between unemployed workers and employees with the power to negotiate their wages — help us improve our understanding of its functioning.

The emphasis of Keynesianism on demand as a key determinant of the short-term level of production allowed progress in other areas of macroeconomics. In part, it was possible to begin the development of national accounting and concepts such as total expenditure on consumption, capital formation (production of machinery, factories, etc.), public consumption, and exports and imports, which constitute

the key elements that make up the aggregate 'final demand' (as opposed to the demand for intermediate goods) of the economy. The Keynesian approach also allowed for the analysis of the determinants of these key elements of final demand, by developing, for example, the theory of aggregate consumption demand and its relationships with income levels, as well as its dependence on existing interest rates.

This dependence of consumption on interest rates is especially relevant because of the role that interest rates play as determinants of the equilibrium in the 'goods market'. Therefore, monetary theory is an essential part of macroeconomic theory, but it is also the source of some of the most important disagreements among economists. According to the Keynesian view, the interest rate is essentially a monetary variable whose main function in a world of uncertainty is limited to balancing the supply and demand for money and not to balancing planned investment and saving. This interpretation of the function of money allows for the analysis of variations in the desire to hold liquid money depending on the interest rate and, therefore, determines the velocity of money circulation. This underscores the importance of the short-term determinants of interest rates, which contrasts with the classical view according to which, in the long run, interest rates depend on the 'real' forces of productivity and saving. The latter approach fit perfectly with the classical labor market model, in which the level of employment depended on real forces: individuals' willingness to sacrifice leisure time in exchange for income (determinant of labor supply) and labor productivity (determinant of labor demand). The Keynesian approach that states that interest rates are a monetary phenomenon reflected Keynes's interest in the short term; most economists agree that, in the long run, the average interest rate — adjusted for inflation and taxes — tends to approximate the real long-term return rate on financial assets.

On the other hand, starting from the assumption that the demand for money depends on wealth — and money is another way to obtain it — it has been argued that an increase in the money supply will reduce interest rates, which in turn will stimulate investment and, therefore, aggregate demand. Thus, an alternative way to reduce unemployment is to increase the money supply. However, although there are different explanations — as is often the case in economics — about the effects of money, almost all monetarists agree that the effects of these methods to increase production would only be effective temporarily, mainly because an increase in the money supply, without other changes, would cause an increase in inflation. Some schools of economic thought, particularly those that postulate 'rational expectations,' even claim that the population would realize the interdependence between the money supply and the general price

level, which would cause attempts to reduce unemployment by increasing the money supply not to be effective even in the short term.

Monetary theory is also related to another key element of macroeconomics, inflation. For several decades after World War II, two types of inflation theories were accepted: demand-pull and cost-push. The latter highlights excessive wage increases relative to productivity growth as the main cause of inflation, while the former attributes inflation to excess demand in the goods market. This excess demand usually results from excessive growth in the money supply. An essential concept in inflation theory since the mid-1950s is the 'Phillips curve,' which relates the unemployment level to the inflation rate. The curve suggests that lower unemployment will push wages upward, all else being equal. If it is accepted that a stable relationship can exist between employment and inflation, society must choose among various combinations of inflation rate and unemployment level. However, many economists doubt that this possibility of trading employment for inflation exists and argue that, if possible, the Phillips curve would shift so that higher inflation would not be accompanied by lower unemployment and that, to reduce the unemployment rate below the 'natural rate,' continuous increases in inflation would have to be accepted. Other economists doubt that a stable relationship exists between unemployment levels and real wage demands and, therefore, doubt the existence of a 'natural rate of unemployment.' Many also defend that this natural rate of unemployment exists but varies over time.

We have previously read about different economic models and their correlation with macroeconomic indices of inflation, supply, demand, etc. Interestingly, in all this analysis, the responsibility that macroeconomics has in the supply of goods and the importance of this supply in meeting society's needs is not seen. It is true that excessive demand brings inflation, excessive supply brings deflation, but the adjustment of macroeconomic variables according to our approach should never threaten global wealth. For it is this wealth that economists rely on to be able to do economics. Therefore, I do not believe there are good or bad economic policies, nor neoliberal, Keynesian, or monetarist ones. What I do believe is that any of these policies proposes tools for their operation, and these can be used up to the limit where they threaten global wealth. When these tools are adopted from fundamentalism, irrationality, or stubbornness, they can end up affecting global wealth and, consequently, the element to be managed. That is why I do not criticize any economic theory because tools are neither bad nor good. Those who are good or bad are the officials who carry out the actions. And when they are afflicted by transculturation or intellectual dishonesty, they lose sight that the

existence of global wealth is the means to solve the problems of people and companies. I have often heard that the death of production sectors is necessary in pursuit of future progress. And this reasoning does not include the sector's capacity for transformation, the unemployment costs that would arise if replacement jobs are not created, the cost in the trade balance, etc. Behind each sector of the economy there is a lot of accumulated wealth that does not appear in the accounts. The accumulated investment and the accumulated capacity for transformation are not reflected in any account, so these losses do not are sometimes taken into account in analyses but are indeed reflected in the loss of income for many people, in unemployment, in the trade balance. This is why we defend the idea of global wealth in any analysis, whether macroeconomic or microeconomic.

Macroeconomists also focus on analyzing, as has already been noted, the main determinants of final demand, such as 'real' investment, which differs from investment in financial assets, the latter only indirectly affecting the level of demand in the economy. Another key component of final demand is public spending and the scope of fiscal policy as a stabilizing instrument of the economy in a context of full employment without inflation, a fundamental framework of analysis in macroeconomics. To complete the study of the main components of aggregate demand, macroeconomics must take into account external balance factors, that is, the balance between exports and imports and their determinants, especially exchange rates. Exports stimulate demand in a manner analogous to capital formation. Imports constitute an outflow of income because they satisfy national demand without generating income that can be recycled to create more demand.

The theories that study how the determinants of total final demand operate form the basis of macroeconomic models of the economy used to make economic forecasts about production, employment, and other macroeconomic variables. In recent years, these forecasts have not been verified, so studying the causes of errors has allowed models and theories to be redefined and revised. For example, much more attention is now paid to the role of consumer credit and accumulated wealth to study consumer spending and saving behavior, as well as the importance of future expectations. Of course, some of the changes made to the models may lead to new errors, but this can only be determined over time. Undoubtedly, macroeconomic models will continue to be revised, just as the causes of errors in predictions will continue to be analyzed. Whether theory can evolve to a point where more or less reliable economic forecasts can be made is something that may never be known with absolute certainty. It is possible that some of the questions economists raise will remain unanswered.

As was well explained earlier, GDP can be viewed from the supply side or the demand side. Interestingly, in our country, with Martínez de Hoz and with Menem, we have accumulated substantial debts. These capital inflows end up being reflected in demand and therefore end up increasing GDP. And this increase does not imply more factories, more jobs; it implies bread for today and hunger for tomorrow. The way we propose to view this is through global wealth. A good use of the total produced by a society in a given time should translate into increased transformation capacity, available resources, health, education, well-being, etc. And not health for some, education for others, well-being for others, or superfluous consumption. As we have said, no sector of society has the right to impoverish another, and this paradigm requires that not only is it important that global wealth increases but that how that wealth increases is equally or more important. Imagine that grain prices rise to astronomical levels and that the three hundred thousandagricultural producers plant everything that can be planted. From the GDP point of view, it will increase because production increased in price and quantity, but the reality is that this GDP increase will not necessarily reflect how much of that wealth went to infrastructure, wages, health. Note, transcultural formation lends itself to not being able to discern that it is not only important that a parameter increases but how it increases.

Looking at the reflection posed in the book taken as an example, we say again: models are neither good nor bad. The ones who are good or bad are people. The model may be imperfect, but if reality is well monitored and from a constructive perspective (global wealth), the limitations of the model, whatever they may be, will be corrected before they cause damage to the real economy. No model or theory can be ahead of people and their resources because if that happens, damage can be caused whose social and human cost can be infinite.

Microeconomics

Microeconomics is responsible for studying the different economic sectors: companies, consumers, and so on. The reality is that this model was created by people living in countries that were materially developed for their historical moment. And because of that situation, the entire microeconomic framework suffers from enormous flaws when applied to pre-material countries. Example: What freedom of job choice does a person have who does not have money in their pocket to travel and seek better opportunities elsewhere? None. So talking about supply and demand policies and labor in a country where most people do not have even a minimal surplus to move and seek better employment is false. And it is not that the theory is false in general; it is false for a pre-material reality. As we have explained before, talking

about business competitiveness when there is no capital market and generally the absence of a market coincides with the pre-materiality of the society one is in is also fallacious. This is why I believe it is important to teach the parameters, the concepts that allow us to have a common language and conceptualization with the world, but it is essential to teach the scope and validity environments of this conceptualization. This implies a double effort for pre-material countries because they have to establish all the concepts from the countries that generate the content and also add all the sociological, anthropological, and historical understanding to grasp their scope and limitations. This issue is not minor. For example: France or England in 1700 (the emergence of classical economic thought) were materially developed countries for that time, and the ideas that arose from their thinkers were imbued with material connotations. Three hundred years later, we see that historical moment as pre-material, but here we are making a mistake because those countries were the most advanced and prosperous of their era. Evidently, material thought is imbued with a sense of the environment that is not necessarily the same over time.

Another issue that also denotes transculturation is the form of accounting representation. Much of all accounting development arises from the need to represent what is happening in an activity. Here a problem arises: this language began to be used by governments to collect taxes. Thus, this way of telling the story was flawed from the start by artifices to be able to minimize this type of expenditure on the part of taxpayers. Here, a cross-cultural phenomenon also occurs: if keeping accounting adjusted to reality implies X amount of pesos in tax payments, if the system allows access, thanks to the payment of those taxes, to large markets and almost infinite financing, they may be gladly paid. This is the situation of material countries. If the system does not provide access to financing, does not help conquer more markets or develop them, then the system itself is absorbing the few resources available for reinvestment and growth. And in this way, most small and medium entrepreneurs end up playing a hypocritical game full of lies that somehow makes them hostages of the system. Fortunately, although most of society is pre-material, there is always some social group that manages to concentrate enough resources to live in a material situation. And this group would then be much healthier and more serious to open the tax issue for these two groups. And I say it again: a country is built with citizens, not with hostages. And a group of small and medium entrepreneurs who can be proud to show their reality without risking losing their transformative capacity becomes a social group that demands and negotiates with large companies and the government, avoiding being cannibalized or destroyed. Obviously, this situation is infinitely more annoying for the

government than making them hostages, where everyone knows they have something to hide and therefore cannot exercise their rights. At some point, it has been said that it would not be fair to have one law for some and another law for others. Well, I believe the injustice is thinking that an entrepreneur who still has to buy robots, machines, resources, etc., and who to obtain these falsifies their financial statements, is on top of that a hostage of the government in power. It is clear that in this situation, if advice were to be given, it would be to not produce. Fortunately for the country, there are hundreds of thousands of people who do not see it that way and who produce and pay astronomical interest and are vampirized by some other sector of the economy. With luck, they survive a whole life in this reality if they do not break down earlier.

Another conceptual issue I have noticed that is not well represented in financial statements is the difference between what can be disposed of and what one has. For example: I have a factory (with its land, building, etc.) do I dispose of that factory? No and yes. No, because if I want to be an industrialist I need the building and resources. Yes, because if I stop being an industrialist it becomes an available resource. That is why in this book we talk about available resources and usable resources. Available resources are those not attached to the function, in this case being industrial. By being industrial, land, a building, credits, raw materials, etc. are needed. All these resources are attached to the function of being industrial. When the activity is left, they are freed. This way of viewing company accounting is not in financial statements, since there is working capital, liabilities, assets, movable goods, real estate, and what is important is that what is available is a concrete perception of the resources with which one can grow or undertake new projects. As we can see, the pre-material world and its intellectuals would have to do work that allows parameterizing all this teaching and adjusting it to the reality of our societies, to train professionals who are functional to growth.

Time

The economy has two links with time: one is photographic, it says how I am today and takes a snapshot, and the other is aggregate, how much has changed from the previous starting point to this moment in what I am measuring. But in physics and moving objects, time is related to mass because to change the direction of a particle or to accelerate it is a function of forces and time. This means that a very heavy object to change its state (speed or direction) if I have a small force requires a lot of time. Or, alternatively, it requires a lot of force and little time. Again here we have to associate the concept of mass with that of wealth. And if we take it to our scale of material and pre-

material countries, material societies need a lot of time to be able to change their direction. To make this concept more accessible, let's talk about ships. The captain of an oil tanker that weighs millions of kilos starts braking the ship several kilometers before reaching its destination, because once it is at cruising speed the force of the engines in reverse hardly manages to stop it in a short time. On the other hand, a cruise ship that has a higher weight-to-power ratio, the captain can put the engines in reverse and stop it in a few meters. The same happens with economies. One thing that caught my attention is that every week the American government reports some index related to the economy (employment, inflation, mortgages, investment, etc.) and it is not that these indexes are simply part of the story, each of them leads to an economic correction, inflation increases, interest rates rise, unemployment increases, interest rates fall, or public spending rises. According to my perception, Alan Greenspan was a master in understanding these gradual adjustments and their implications for the economy and its relation to its mass. Because when one does not do it this way, distortions accumulate that end in severe economic crises: hyperinflation, devaluations, etc. Again, due to transculturation, this problem is hardly discussed in our countries. And in a country without history, this should not be a minor issue. Some believe this is part of a given institutional phenomenon, that the American Federal Reserve aims to preserve the value of the currency and no politician can use the reserves or change monetary strategies for some electoral objective. The reality is that in our country I have never seen work done with this kind of fine tuning and the question is: is it an institutional problem? Or is it a phenomenon of incompetence or ineptitude? Because without parameterized indexes and without the correct ones, we cannot work with this degree of subtlety. The truth is that managing a large economy is not the same as a small one. Because the bigger it is, the more in advance measures must be taken. When this does not happen, distortions accumulate as already said and it ends in an economic crisis. I particularly believe that the lack of institutionalization on this issue has to do with the lack of work generating reliable indexes, their sensitivity to the variable to be adjusted, and the response times of those adjustments. And through their history, showing the risks of not correcting them in time and form. And the entities that should alert are Congress, the Judiciary, Associations, Journalism, etc. None of this happens and therefore we remain exposed to economic swings.

My stance regarding the above is that a good measurement of reality interpreted from the mandate and controlled with a critical mass aligned with it is the best recipe for economic growth. I particularly believe that economic growth is the consequence of an entire social

phenomenon that aligns and organizes itself behind some commandment, and that this commandment generates these indices, coherent action with them, and arbitrates social tensions. I believe there is no economic theory that says: "by doing this portfolio of things, growth is achieved." One has to start from an idea, since it allows us to confront reality and through this comparison with reality, conclusions can be drawn that lead us to learning. Many times the indices show realities that oppose our ideas. Here again the illness (fundamentalism) may appear or the understanding that our idea does not comply with what is modeled by a number of factors that we did not take into account, did not discover, do not know, or cannot manage. Possibly reality is closer to all these uncertainties, and that is why many times we will have to make adjustments or corrections that are not aligned with our desires or beliefs. Obviously, I think the economist who discovered the relationship between the money supply, demand, and inflation, which is an indisputable economic law, must feel happy and satisfied with his discovery. But I believe that in the case of economic growth one can have a commandment and must try to orient everything in that direction. Unfortunately, I believe growth is tied to a continuous effort to approach some predetermined objective and that it is work related to management and allocation of resources over time and not with an equation or portfolios of theories. Therefore, economic theories are neither bad nor good. All well managed can be good; some will achieve their objectives faster than others. But none proclaim poverty, distress, or hopelessness. And what must be measured is reality in order to prevent converging into a gray, violent, and despairing universe.

* * *

Federal Reserve

Introduction

Allow me to make a brief review of the history and how the Federal Reserve of the United States operates.

In recent history, an official of the same (Alan Greenspan), according to my perception, managed monetary policies taking into account the inertia of the American economy. In this way, he moderated economic cycles and is responsible for one of the greatest periods of growth in capitalism. Clearly, he showed that with a strict monitoring of economic evolution and interaction with the markets, posed not always in economic actions but also in gestural language, he managed to keep the economy’s parameters within a feasible space. Many times a gesture or an opinion from this gentleman

adjusted variables, discouraged speculation, and stopped deviations. That is why I dare to say that growth is related to a commandment (in his case, to protect the American way of life, an intangible very tangible) and based on this he led the country and the world to one of the stages of maximum prosperity.

Thanks to the commandment plus monitoring plus an aligned critical mass, he guaranteed proper management and adequate allocation of resources. And attention, this gentleman fought diseases (anthropophagy, intellectual dishonesty and corruption, the dismantling of Enron, the dot-com speculative bubble, etc.). In other words, he had a commandment, a good perception of reality and the real economy, and he protected the global wealth of the American people.

Next, the history and its functioning.

Federal Reserve, central bank of the United States. The central bank of a country serves as a banker for the rest of the banks and for the government; it is also the body responsible for issuing money, regulating monetary policy, and supervising the functioning of the country's banking system. In the United States, these functions are carried out by the directors of the Federal Reserve system: the Board of Governors, based in Washington, D.C., and the directors of the 12 Federal Reserve banks, distributed throughout the country.

Almost all the power of the Federal Reserve is concentrated in the Board of Governors, which assumes all aspects related to the regulation of the banking system and the control of the amount of money in circulation, as well as the Reserve's policy. Since the Board is not an operational body, the implementation of the policies it dictates is in the hands of the 12 federal banks, whose shares are owned by the commercial banks that belong to the Federal Reserve system. However, in this case, ownership of the shares does not imply control of the banks; the Board of Governors and the directors of the Federal Reserve banks dictate the policies to follow based on the interests of the country and not the interests of private entities.

The regulatory system of the U.S. banking system is very complex; in some cases, the tasks carried out by the Federal Reserve are implemented with other public institutions; for example, in cases of mergers or to control private commercial banks, the Federal Reserve acts in collaboration with the Money Control Agency and the Federal Deposit Insurance Corporation. Monetary policy, that is, the control of the amount of money in circulation, depends exclusively on the Federal Reserve, which acts with total independence from political power.

History

During the 50 years prior to the creation of the Federal Reserve in 1914, economic growth was often halted by recurring economic crises that were usually accompanied by monetary system crises. The U.S. banking system was unable to respond flexibly to economic cycles.

The National Banking Act (1864) divided the banking system into three groups: the Central Reserve banks (the first was created in New York and in 1887 two more were created in Chicago and Saint Louis), the Reserve banks (in 16 other cities), and the national banks. All national banks had to maintain a certain percentage of their deposits in reserves, but part of these reserves could be deposited in the Reserve banks. When national banks needed more money to meet their clients' liquidity demand, they could turn to the Reserve banks, which in turn could turn to the Central Reserve banks. Any failure in this pyramid would cause the collapse of the entire monetary system since above the Central Reserve banks, it was impossible to create more liquidity, which resulted in a suspension of payments. Banking crises of this kind occurred in 1873, 1883, 1893, and 1907. The latter led to the creation of a public institution controlled by the two parliamentary chambers, the National Monetary Commission, which enacted the Federal Reserve Act in 1913, creating a flexible and decentralized banking system.

Monetary control

The Federal Reserve controls all the country's financial variables. The two main control instruments are open market operations and changes in the required reserve ratio. Open market operations consist of buying and selling public debt. For example, when the amount of money in circulation grows more slowly than the Federal Reserve deems appropriate, it proceeds to buy public debt, thus putting money into circulation that allows the banking system to have a greater number of deposits, a fundamental part of the money supply. Similarly, if the amount of money in circulation is excessive, the Federal Reserve will carry out a restrictive monetary policy by selling public debt in the open market. This sale will reduce the amount of bank reserves and, therefore, the banks' capacity to lend money.

Although open market operations are the most flexible and most used instrument to develop monetary policy, the same objectives can be achieved by varying the required reserve ratio, that is, the percentage of deposits that commercial banks must hold as reserves in the Federal Reserve banks. When this percentage is increased, banks cannot create as much money as before because a greater proportion of their assets must be immobilized in reserves; the

opposite occurs when the ratio is decreased.

The Federal Reserve can also control the money supply by varying the discount rate. When commercial banks need more money and borrow from the Federal Reserve banks, a higher discount rate will make these loans more expensive, so banks will reduce their demand for money. Changes in the discount rate can be used simultaneously with open market operations. It can also serve to obtain monetary signals about the economic conditions prevailing in the market.

The Federal Reserve only selectively controls the buying and selling of securities, imposing a legal margin for the purchase of financial assets, that is, a minimum percentage that the buyer of securities must deposit. This legal requirement arose from the Great Depression and aims to prevent speculation in the stock market.

The Credit Control Act of 1969 authorizes the president to grant additional powers to the Federal Reserve. In 1980, this law was applied to allow the Federal Reserve to control consumer credit.

Effects of Federal Reserve policies

Economists believe that Federal Reserve policies have long-term positive and negative effects: first, the FederalReserve's decisions have sometimes increased, rather than decreased, economic instability; second, trying to precisely adjust the money supply is unproductive and can become a very destabilizing circumstance; third, in the long term, restrictive policies on money supply growth can reduce the inflation rate; finally, some problems cannot be solved by the Federal Reserve, as happened, for example, with the oil crisis. Many economists claim that the Federal Reserve was partly responsible for the Great Depression of the 1930s. On the other hand, the price stability of the late 1950s and 1960s was partly due to the effectiveness of the Federal Reserve's monetary policy. Criticism increased during the 1970s and 1980s, when monetary authorities seemed unable to curb rising inflation and interest rates. By the mid-1980s, many economists thought the Federal Reserve's anti-inflation policy was quite effective.

Relations with the government

Some consider the Federal Reserve as a fourth branch of power because it has become a powerful political group that should not be subject to external controls. The Board of Governors is independent, by law, from the executive branch with a term longer than the president's. However, in practice, the Fed designs its monetary policy according to the political and financial objectives established by the executive branch.

The relationship with Congress is more complex. On one hand, the central bank is undoubtedly an institution created by Congress, so the duration of the Board of Governors' term and its long existence depend on it. On the other hand, the Federal Reserve's self-financing grants it great independence, removing from Congress one of its main control instruments: the budget. Thus, the Federal Reserve is free from political pressures but must answer to Congress and explain its monetary policy.

Example

What triggered this work was an interview by a French journalist with the thirty best Japanese businessmen. And he asked them all one question: Why wasn't the yuan a reference currency? And they all answered that to be a reference currency you have to be a rich country. And rich countries are those that have available stocks and the capacity for transformation. In contrast, Japan only has the capacity for transformation. From there I said to myself:

Ah! These are prosperous because they have a clear concept of wealth. And from there I began to build this framework we are talking about. There is something that has to do with macroeconomics and wealth. Let's imagine two countries: one has a GDP of one hundred, the other one of five. The country with one hundred has been transforming and using 30% of the steel produced in the world over the last twenty years. Suppose the poorer country makes a great effort and reaches a GDP of one hundred, equal to the first. Which of the two is richer? Obviously the first, since it has accumulated in scrap five times the world's steel production. These stocks and infrastructures that have been accumulated over time generate asymmetries that when one talks about macroeconomic numbers, even if they areequal, one may be comparing apples and oranges. These accumulations, to which today we would also have to add the intangible of intellectual property and knowledge, implicitly have asymmetries that if not taken into account can lead us to make gross errors. That is why we say that the phenomenon of transculturation can take these parameters as certain guides and incorporate profound errors in the subject of the matter.

It is interesting to note that all the countries that were stellar in the Modern Age have maintained relevant positions in the world economy: France, England, Germany, Italy, the USA, etc. All the above reflection also has an economic view. Let's imagine a country with a reference currency. That allows it to issue paper and exchange it for tangible resources. Which always leaves it in a position of power because the day they demand resources for the issued paper, the resource price

will possibly rise.

This mercantilist view of the use of money as a way to guarantee the resources our society needs is not widely shared by some thinkers. But the final result is that thanks to this possibility they accumulate resources in their territories, and that provides a quantity of material reserves that allows them to face crises with greater possibilities.

Although this is not accepted by everyone, I believe it is undeniable that in rich countries there is a strategic use of money to guarantee the way of life of those societies.

Conflict resolution

As we have stated, there are three actors in society: individuals, companies, and the government. All of them are necessary to build a country, generate well-being, and create opportunities. In general, each assumes that being functional to their role is enough. What does this mean? Workers think that better jobs mean better wages; entrepreneurs maintain that a good product with better demand deserves a higher price; the government believes that with better assistance it has the right to charge higher taxes.

Fortunately for the system and unfortunately for each of the mentioned actors, within a social conglomerate we all need each other. Therefore, a space for negotiation is created, within which we all have to coexist. The participation of each actor in this place and in the external reality will constitute a growth vector. Here arises an operational research problem that we maximize.

Our mandate is based on wealth, so we will maximize it through growth. Then the three actors at the base of our vector must find a resolution to the conflict that maintains or increases our commandment: global wealth. Here the need for a mandate appears because no social actor will consciously and rationally ask for someone to become impoverished and/or suffer. A constructive way to set a limit on the other person or sector is to be clear about what happens to us in the interaction with the other and to make this explicit in numbers.

This is fundamental for everyone to coexist: sharing a commandment and subordinating ourselves to it will allow us to maximize the growth vector. What is just presented is a basic axis of our work.

So the objective is to find a way to satisfy to some extent the expectations of all actors, so that the result yields an increase in available stocks and transformation capacity. This is hard work and with greater restrictions and difficulties; possibly finding that path is based on innovation, creativity, and effort. Thanks to all this we will

avoid the triumph of intellectual dishonesty, anthropophagy, and corruption (diseases that prevent our development).

Correlation between different psychological, anthropological, and sociological theories and our economic growth system

As we have said, for economic growth we propose a critical mass of people aligned behind a content called commandment. The understanding of this content by those people can be structuralist or behaviorist. In turn, within that universe of people there are those in prematerial states, others at the interface point, and others with a mix of material and immaterial desires depending on their inner world. We consider that people, institutions, or companies in prematerial stages tend to have a reward-punishment behaviorist behavior. I want to clarify that this prematerial situation is not only an index of the individual's wealth, since that individual may have a workshop worth five hundred thousand dollars but to be competitive needs to invest one million dollars more. According to our model, this man will have behaviorist behavior. In prematerial societies like ours, most people, companies, and institutions are in prematerial stages and therefore need a clear dimension of rewards and punishments. We have already explained that written laws and regulations do not include interpretation. To interpret them it is essential to have a value scale, which in our case is associated with the commandment. It is essential that the interpretation of this value scale is in the hands of officials and entrepreneurs with structuralist thinking, which allows them not to leave the space of feasible solutions. And I consider that structuralism is associated with stages that surpass the interface point. That is why when one has a salary scale in the public sector, the officials who have to interpret and based on this make decisions must have incomes that allow them to be above the interface point. I have seen, to the detriment of this idea, that in times of crisis many politicians propose lowering salaries for senior staff, freezing salaries for hierarchical levels, bringing them to a prematerial situation. Thus, they come to have a behaviorist worldview. And in that scheme, it is very easy to fall into the disease of transculturation, with social costs infinitely higher than that supposed salary saving.

Our proposal is to detect, in the universe of people who will have to manage economic growth, those who have structural thinking and those who have behaviorist thinking. It is important to note that we are talking about percentages and sets. For example, we may have a person in a prematerial stage but who has structural thinking. Possibly an idealist whose passion for their ideals is more important than

economic income. We may also have the case of a person in a material stage who has a behaviorist thinking. In this universe are dogmatics, fanatics, fundamentalists but in the vast majority our hypothesis will hold. We attach below concepts extracted from works on structuralism, behaviorism, and their thinkers.

Behaviorism or Psychology of behavior: a current of psychology that advocates the use of strictly experimental procedures to study observable behavior (conduct), considering the environment as a set of stimulus-response. The behaviorist approach in psychology has its roots in the associationism of English philosophers, as well as in the American school of psychology known as functionalism and in Darwinian theory of evolution, since both currents emphasized a conception of the individual as an organism that adapts to the environment.

Functionalism: theory that considers society as a set of parts (normally institutions) that function to maintain the whole and in which the malfunction of one part forces the readjustment of the others.

The idea that society consists of a set of related institutions that work in favor of the system as a whole dates back, in modern times, to the writings of Machiavelli, and was developed by Montesquieu and the Enlightenment thinkers.

In the first half of the twentieth century, functionalism was an important theoretical model for conducting anthropological studies. Malinowski, based on the field research he carried out in the Trobriand Islands, conceived a theory of culture that explained the existence of social institutions by their ability to satisfy human psychological needs. Radcliffe-Brown's structural functionalism reacted to this point of view, arguing that the functioning and existence of social institutions should be explained in social terms, and not reduced to psychological motivations. This point of view was created around the study of small, self-sufficient social units, in which it is relatively easy to suppose a system functioning as a whole.

Due to its insistence on maintaining the system, functionalism has sometimes been criticized for seeming like a reactionary ideology. Certainly, in the study of complex societies it is difficult to apply functionalist models, especially in class societies that place great importance on conflict, although attempts to apply systems theory and the sociological work of Talcott Parsons have produced important models for a functionalist understanding of complex societies.

Gestalt Psychology: It is a current of thought within modern psychology, which emerged in Germany at the beginning of the twentieth century, and whose most recognized exponents have been theorists Max Wertheimer, Wolfgang Köhler, Kurt Koffka, and Kurt

Lewin. It is important to distinguish it from Gestalt Therapy, a therapy representing the humanistic current, founded by Fritz Perls, which arose in the United States in the 1960s.

The term "Gestalt" comes from German and was first introduced by Christian von Ehrenfels. It does not have a single translation, although it is generally understood as "form." However, it could also be translated as "figure," "configuration," and even "structure" or "creation."

The mind configures, through certain laws, the elements that reach it through sensory channels (perception) or memory (thinking, intelligence, and problem-solving). In our experience of the environment, this configuration has a primary character over the elements that compose it, and the sum of these elements alone could not therefore lead us to an understanding of mental functioning. This approach is illustrated by the axiom the whole is greater than the sum of its parts, with which this psychological school has most frequently been identified.

* * *

Background, logic and origin of the system

This is the result of a story

In this chapter we will try to explain how history, family, education, etc. result in a way of thinking and processing situations, actions, decisions, which is what this book aims to express. This perspective is important because it allows reaching conclusions from an experiential point of view rather than from a logical sequence of reasoning, something that will make the text easier to understand for many people. To do this, we try to confront, analyze, and question at every moment of existence the why, how, and when of all the events the author has witnessed from the time he has memory until now. This intense work has resulted in this work. It could be compared to a thread strung through a needle, the needle being responsible for giving it a practical use. Of course, it could have been strung through a sewing machine, but that was not the case.

We consider the explanation below important since we did not arrive at the conclusions drawn from it through an academic path but rather from a constant exercise of comparison and reflection on the results of actions in relation to the outside world.

Way of thinking and its consequences

When starting school (six years old) the author began to have difficulties in learning. His mother, interested in psychology and pedagogy, sought professionals to obtain a diagnosis. The experts arrived at the same, stating that the problem was called dyslexia. The dictionary defines it as the partial inability to read with comprehension or difficulty in reading, caused by a brain injury. In this case, it manifested as ugly handwriting, terrible spelling, and the inability to write complete sentences. The therapy at that time consisted of attacking the problem from two angles: one psychic, through therapy, and the other pedagogical, with a psychopedagogue.

In these first steps the author met people like "Negra" Berasturi, who along with Enrique Pichon Riviere, was responsible for the diagnosis, and Jorge Bisca (pedagogue). One explanation for the cause of dyslexia was that the patient thought faster than his motor

apparatus could execute.

Thus, at six years old the author began to have access to psychoanalytic dialectics and some pedagogical exercises. Despite all this, the reality was that after twenty years of analysis and trying to solve this problem, dysgraphia, dysorthography, and writing problems persisted. So much so that to compose a text the author needs a human interface because if he writes, he does not think. And he had to live with this limitation.

Another ingredient added to the problem was the need to understand or have an explanation about the origin and causes of everything. At eighteen years old, while the author was in Spain, he approached the Royal Spanish Academy to see if there was a dictionary that explained, besides the meaning of words, why they were written in certain ways. They were just making it and were at the letter A. In childhood, this way of reasoning caused many problems, because if they said a word was written with H and B without giving a valid reason, he felt he had the same right to write it without H and with V. I don't know if this issue has to do with a problem of authority but it still happens to me often.

Another constant behavior in the author's life is that he measures reality by evaluating the results of the actions and decisions he takes. In this way, he feeds back and adjusts the reasoning used for those actions and reflections. This behavior is painful and risky but has the advantage of giving great confidence in oneself that problems will be solved and also losing the fear of the "outside," thus the world and possibilities expand. A confession: at a very young age, my father gave me a very important Meccano set along with a steam boiler. In my constant need to build objects, I decided to join the two elements to make a steam car. The link between the steam engine and the steam boiler I tried to solve in countless different ways. My father, seeing me obsessed, tried to explain that it was impossible for the small forces of the boiler to overcome the system's friction and force transmission, trying to discourage me. With my usual stubbornness, I found a combination of a cotton thread with two turns on the pulley and a certain tension that made that strange vehicle work. The joy of having solved it was infinite. Today I still have the same problem: I constantly pose a problem and it occupies a large part of my neurons until I find a solution.

Conclusion: until I am given valid justifications for the causes of things, I stick to my ideas. If I have a concern, I do not stop until I find a possible solution. Surely, this has to do with the many years invested in therapy and psychoanalysis since one of its postulates is that understanding a psychic phenomenon calms the anguish it produces.

History

I met three of my grandparents. On my father's side, Jacobo Benzacar, and on my mother's side, Gabriel and Judith Issaharoff.

Jacobo was extremely enterprising, he came from Smyrna in the immigration with Baron Hirsh. He ended up in Ceres, in the province of Santiago del Estero, where he set up a general store. He died in the province of Salta. Throughout his life he was very active and enterprising.

Gabriel Issaharoff came from one of the richest families in Samarkand; with the advent of the Russian Revolution he chose to emigrate to Argentina. He made that trip with my great-grandmother Gipsy and my grandmother Judith. They both had relatives here. This grandfather should have been an engineer; he tried to study in Germany but the political instability of that time prevented it. He spoke the language of his hometown, Hebrew, German, French, Spanish, and English. He was extremely refined and religious.

Gabriel had a company manufacturing bridal gauze in Argentina; there were times when he did very well and others not so much. He always felt mistreated within the textile community, since in this guild payment terms and quality standards have unimaginable elasticity. Being a "British Lord," these little tricks caused him a significant amount of anger and frustration.

My grandmother Judith Issaharoff was very beautiful, had remarkable life intelligence, and at eighteen years old married my grandfather Gabriel, who was about twenty years older than her. She chose him because all the boys she had access to seemed stupid, ignorant, and primitive. She was always interested in community issues and social leadership.

From the mix of these characters come my dad and my mom. Samuel Benzacar was the first son after four daughters (dad had six siblings in total), receiving differential treatment because of this. He attended primary school in Ceres, secondary school at the sacarotechnical school in Tucumán. A few years later, he graduated as an agronomist engineer from the University of La Plata with a gold medal and began working on farms where Zionists were preparing to go work at kibbutzim in Israel.

My mom, at eighteen years old, had not yet finished high school, but she had actively participated in the Zionist youth, pursuing an extracurricular career in adult education. She would finish high school already married and with children.

These people met through these community activities and got married. My grandfather Gabriel helped them buy an apartment, and it

was at this moment that the family's reality began to sift through fantasies, realities, and idealisms. For example: one day my dad told my mom (very Zionist, a supporter of that discourse) to choose between moving to live in Israel or staying in Argentina living as Argentines, because he believed that thinking one way and living another was not valid. Right then, a family fantasy ended.

My dad began to see how he could support the household. He tried working with my grandfather but it didn't work out. In his search for some independent activity to undertake, he decided to share his distress with a jeweler neighbor named Sargón, who proposed getting into the business of gold recovery. This man claimed that in all the jewelry stores on Libertad Street, the floor sweepings had a high gold content and were thrown out onto the street. With this argument, he convinced my father, and thus his first independent activity began. From those years I remember that Samuel came to own several gold bars, meaning he did very well in the business.

At this point in the story, I want to point out that the family's economic situation was not comfortable. All ventures always had a large dose of fantasy at their beginnings, followed by no less a dose of ability to solve problems between fantasy and reality.

Around this time, my mom was busy with the tasks of being a mother, and I don't exactly remember how, the possibility arose to produce and export horse meat. My dad decided to take on this project with his brother Cholo as a partner. These were the times when Los Chalchaleros sang an allegorical song wondering how a countryman could kill a colt he had raised and that had been his companion. Thanks to the song, Argentine fields were full of old horses, useless nags that no one sacrificed for emotional reasons.These animals took the place of cows. To solve this problem, slaughterhouses appeared to export horse meat, which is consumed in countries like France, the Netherlands, and England. The first to discover this panacea, where the raw material was given away to clear the fields, was a European family. At that time, the cost of slaughtering the animal was paid only with the hooves. With that tremendous profit margin, my father managed to concentrate resources at an unprecedented speed. By the sixties, the company was already sizable (three slaughterhouses) and was competing for raw materials with the number one in the business, the competitor's slaughterhouse, which led to an increase in prices. Since its owner was a close friend of Illia, he managed to change the Federal Meat Law (intellectual dishonesty). Given this situation, my father was accused of rancidity in a shipment of three thousand tons (a whole ship), and with this maneuver they managed to take away his liquidity, since he could not ship and collect for the three thousand tons, and they attacked him operationally by shutting down the

slaughterhouses because they did not comply with new regulations, changed the day before without prior notice. Here we can consider the presence of two economic diseases defined in this book: anthropophagy and intellectual dishonesty.

My father fought, he did not file for bankruptcy, but we went from having five cars to having to manage with only one Renault Gordini. Samuel began searching for new opportunities to undertake new activities.

During the period of opulence described above, we moved from Añasco and Yerbal streets to 351 Valle Street, in the Caballito neighborhood. Both my father and mother supported the concept of public education and did not want us to be contaminated by the vices of the rich of the moment. So much so that they raised us in this middle-class neighborhood but with some peculiarities. We lived in the second apartment of a shotgun-style house. It had been remodeled by a young architect (Yacardi) who proposed a decoration thirty years ahead of its time. All the furniture was of pure lines, absolutely everything was designed.

During that time, another important family objective was to marry Aunt Jane. She got engaged to a young man who worked in the Communist Party and also took up the party's banners. She was dedicated to selling artworks donated to the Party by artists like Berni, Castagnino, and others. The only family victim of these sales was my father, who had some sensitivity about it and had already adopted two artists by then: Anadón and Abreu Bastos, from whom I currently own a significant number of works. Abreu Bastos is Spanish and came to Argentina fleeing Franco. The best memory I have of him is about a competition he had with my father to see who made the better paella. Following my dad's classic style, we bought the largest paella pan and invited Abreu to make the meal. He made a list of the necessary ingredients, they were bought, and the man got to work. After a careful observation of everything done by the painter, my dad proposed a challenge: he would make the next paella, to which everyone was invited, and then it would be decided which of the two was better. My father had considered that Abreu was very judicious with the use of ingredients when cooking (surely because in Spain they were very expensive), handling them with great care. Regarding the original recipe then, he decided to triple all the proteins. Obviously, my father won decisively, and I made my first lessons about marketing.

At the same time, it should be noted that Abreu owned a small hotel in Villa Gesell, which became our vacation spot. There, our stay often coincided with that of a distinguished visitor: Enrique Pichon Riviere, one of the fathers of psychoanalysis. A man of unusual culture and

intelligence

Returning to the economic issue, the setback suffered by my father was caused by his opponent's need to maintain profitability and my father's inability to become aware of his limitations (a struggle between a pre-material and a material industrialist). My father faced this vast disadvantage with pride and naivety. Instead of prioritizing the accumulated wealth and the responsibility it entailed towards his workers and family, he focused on the competitive aspect, neglecting to consider countless factors that should have been evaluated in order to reach a successful outcome (to protect his overall wealth). In other words, what he had was great drive, a significant ability to meet proposed goals, and a major organizational advantage, but he lacked a strategic vision of his weaknesses. Had he been mandated to preserve his overall wealth, he would have explored other possibilities, since the other family valued the grit, drive, and initiative of this competitor; in fact, they offered him membership in the club. My father took this as an insult and started a war for which he was unprepared.

As a result of this economic disaster, my mother began selling the artworks we owned; thus the Ruth Benzacar gallery was born. At the same time, my father started exporting pickled vizcacha to Japan, but since vizcachas are hunted with shotguns and those who prepared them forgot to remove the pellets, the business quickly failed because the food was contaminated with lead. After this experience, my father tried exporting Ford Ts to the United States while building a beef slaughterhouse in Tucumán with a partner. This initiative also failed: after several disputes with his partner, he decided to leave the project and focus on building a boutique slaughterhouse in Santiago del Estero during the era of the Río Dulce Corporation. At that time, the province had its own slaughterhouse, La Isla, which did not meet the export standards of the moment. My father did not get the credit for his boutique slaughterhouse because the province decided to recycle its own slaughterhouse.

While making all kinds of arrangements for that project, an old university friend showed my father an elephant grass. Immediately, my father asked where such specimens could be found and decided to go there. It turned out that those fields belonged to a man named Donadeu, whom they managed to contact.

At that time, we had a plot of land one block from our house on Valle Street, where my parents planned to build a new, larger house. My father decided to sell it, but that money was only enough to pay for half of Donadeu’s fields; the other half was to be provided by God. And the miracle happened: Onganía, the president at the time, decided to implement a plan for vineyard planting. Here’s the thing: for building

the vineyards, trellises were used, made with carob posts called rodrigones. Coincidence or causality, the fields we had just bought had millions of these rodrigones. Thanks to them we were able to pay for the entire fields and buy a new house on Talcahuano Street, in Barrio Norte.

By then, I was about 17 years old and my mother had become a renowned gallery owner. Every Friday, meetings were held at our house attended by the leading figures of the intellectual world: Romero Brest, Pichon Riviere, Le Par, etc. In winter, a wine with orange and cinnamon was served, a small stage was set up, and the prosperous industrial bourgeoisie was allowed to debate. Meanwhile, all the walls of the house, decorated in a very advanced style, were covered with paintings.

From here on, there were two clear activities: my father managed the agricultural and forestry matters in Santiago del Estero, and my mother remained at the forefront of cultural activity with her art gallery. After the success with the rodrigones, we had another bright moment supplying sleepers to the railway.

With the advent of the forestry activity, my father offered my sister and me the chance to participate in marketing the products made on the fields, which were sold in Buenos Aires and transported only by train, the most used means of transport at that time. So much so that we partnered with people who had a warehouse next to the tracks. The company was called Capelete Benzacar Hnos. and Lafite S.R.L. This venture, which coincided with my eighteenth year and the start of my Engineering career, allowed me to have a pilot plant where I could align the relationship between reality and my fantasies, do many things for the first time in my life: export to countries like Saudi Arabia, the Netherlands, the United Arab Emirates; develop marketing in supermarkets; manufacture quebracho furniture, etc. I began to realize how difficult it is to concentrate resources and convictions, since I wanted to automate all the work, which required a deep investment and we had no access to any credit.

Let’s go back to when I was six years old. As I explained, dyslexia problems appeared very early, which led me to work with a therapist and a psychopedagogue. These two experiences were very important in shaping my line of thought. On principle, my parents preferred that I attend public primary and secondary school in Caballito. As a result, I always suffered a lack of understanding from teachers, since at that time dyslexia was not a widely recognized condition. This forced me into a constant confrontation with ignorance and prejudice. This experience allowed me to understand these two conditions at a very early age and try to overcome them to reach a good outcome. While

one aspect of my life took place in a world of serious limitations, the other unfolded in the vanguards and new knowledge. On another track, I lived with psychoanalysis, pedagogy, and the best of the intellectual world of that time thanks to the cultural activity my mother developed.

Another interesting point is that in my family we always shared the good and bad times; this somehow made us work as a team with my parents to develop the goal of survival first and the fulfillment of dreams later. From this stew of which we were ingredients, we saw the struggles to survive, to carry out projects with all the nuances imaginable. I believe this school of chasing dreams and having confidence that adversities and resistances will be resolved through our own attributes (knowledge, tenacity, imagination, will) gave my sister and me a rather unusual degree of freedom.

In the values of my family at that time, being an industrialist, producing goods and generating products was what was right. Thanks to them, I began to get involved in trying to make objects. I started with a ball-bearing cart, then I put a sail on it and it worked, then with a four-wheeled skate I made my first skateboard and we used it in Plaza Francia, then I became interested in electronics and started going to the workshop of a man who repaired televisions three blocks from home. This seemed interesting to me and I took courses at the Argentine School of Radio and Television. After this, I went to work with Jorge Parera Sonidos. We manufactured amplifiers; he did sound systems for shows and had a recording studio for music. I loved that job, but the reality is that all attempts to build devices were unsuccessful and when I went to work with Jorge who produced devices and made them work, I realized that my entrepreneurial spirit would not be able to express itself in electronics, since the country imported second-hand materials that did not meet specifications. And therefore making any device work was extremely difficult. Thanks to this experience, I decided not to be an electronic engineer and embraced the idea of being an industrial engineer. During that period there were some experiences that marked me. My parents had become friends with Jorge Sábato. He was the creator of the National Atomic Energy Commission and was a person of exceptional lucidity. He talked about industry standards and that the first to achieve was automotive, the second aeronautical, and the third atomic. Obtaining them meant increasing the value of products and market possibilities. He told fascinating anecdotes about how some countries and large companies in technology transfer negotiations tried to entertain him when he traveled and close the deals on the last day, so the preparation of the same would have been mediocre or nil. Jorge spent his vacations in Cortaderas (San Luis), since his father had a farm

there. I remember that he talked so much about that place that my parents decided to go one summer to that paradise of Nature. We stayed in a hotel at the foot of the Comechingones hills, and at noon we generally went to eat a barbecue at Jorge's father's house. At that time there was no rural electrification and in the house, to have light they used a nationally made Winco generator. One morning we arrived and saw Jorge, his father, and the second in command of the National Atomic Energy Commission looking at the generator that refused to start. Then my father, mischievous and playful, seeing the lack of initiative of these mega officials, told them that if they acted as operators he would take responsibility for fixing it. If he didn't succeed, he would pay for the repair at the town mechanic. The two gentlemen agreed and by noon they were covered in grease from head to toe. The diagnosis was carbonized cylinder heads; they removed them, cleaned them, and the generator started. This anecdote was revealing for me, as I discovered that the one who assumes responsibility is the one who has authority.

With no small difficulties I managed to finish high school and in the meantime I discovered that sailing is an activity that fascinates me. Again here arises that family mandate to go after dreams, since I had never been on a sailboat, but it was something that when I saw it from the Costanera I knew I would like it. At the time my father bought the farm in Santiago del Estero he was away a lot with my mother, to go build this project. Then something happened that also helped my formation. When they left they left us with two very trusted maids and the household money was managed by my sister and me. I think as a result of this repeated abandonment, in one of those periods I decided to build a raft. I don't even remember how or where but I got four 400-liter drums. On the next block we had, as I said, a plot that was going to be our future house, which had pine floors. Slowly I lifted the floors, and with them I made the platform of the raft. My hardware store owner had already given me credit, I had discovered a man who made cattle chutes and sleeves, screws and bolts and helped me. Thanks to all these suppliers and the money I managed, I built the raft. One summer day I decided it had to be launched. I found a truck driver who delivered paint, I told him I wanted to take the raft to Tigre, that I couldn't pay him for the whole trip, but I would pay the rest later. My dad was taking a nap; I peeked into the room and told him I was going to launch the raft. I suppose he was half asleep, because he said yes. Since the raft was made up of modular elements, we loaded the parts with the truck driver and arrived at Tigre. I looked for a place to unload it, on the shore of the Reconquista River. It was low, I unloaded the things from the truck to assemble the raft, and then the river rose and things started to escape. Luckily I managed to tie everything up and

assemble the craft. I didn't put the sail on because we had to pass some bridges to get to the Luján River. By then it was already night and the Reconquista River was rising and the Luján was downstream, so I started towing the raft swimming. It was a starry and warm night, but on the Reconquista River there are boat nurseries. A man suddenly saw something floating approaching and came to the shore to see what it was. He shone a flashlight at me, I approached, got out of the water dressed and asked this good man if he liked the boat. The man asked me where I was going and I answered that my first stop was an island on the Capitán River. He asked if I had oars and life jackets, to which I replied no. He said "wait a little," went into his house and came out with an old oar and a life jacket. He recommended waiting half an hour for the current to change; that when I reached the Luján River I should wait until 2 a.m. and then cast off, because surely at 3:30 the current would change again, taking me to the Capitán River. By then my mother had arrived home, asking about me and my father must have told her I was launching the raft. My mother, desperate, found the truck driver and left with Abreu and dad to look for me in Tigre. That night the first guerrilla takeover by the Montoneros took place, so when my mother went to the Coast Guard they almost killed her mistaking her for a Montonero. In short, at 2 a.m., when I had cast off to catch the current, I heard my parents' shouts, I had already realized the project was unlikely. I approached the shore, we tied up the raft and the next morning we towed it to some friends' island where it ended up as a floating dock.

I begin to see how I can get into the sailing topic, of course doing it my way, by the hardest path. I toured the coast, found a solid wood planked small hull that was at the Yacht Club Río de la Plata. They sold it to me, the club Commodore gave me the tip of a midshipman’s mast and with that I built my first boat. When I finished building the boat, we launched it and the club Commodore explained to me that "this is tacking and this is coming about." That was the end of my course. Thanks to Providence there was a man at the club who had a good boat, El Quijote, who explained and taught me the sailor’s language. In the club library I was able to read books; again confronting reality with knowledge I was learning the concepts and principles quite solidly. I recognize, in hindsight, that it would have been better to take a sailing course at a club, buy an "optimist" or a "penguin" and start sailing those boats. Possibly, this would have made me a better helmsman, but it would not have allowed me to acquire the technical proficiency I gained with these objects.

After that experience, the family architect, Yacardi, told my father that there was another architect, named Ancarola, who was going to build a "quarter ton" class boat, a design by Ron Holland, who had

been world champion in that category. In partnership with Yacardi, we went to buy one of these boats. I don't quite remember what happened, but in the end, the boat was bought only by my father and he gave it to me. The truth is that I went from sailing a quarter-ton boat to having one of a grown man. Again, I had to start learning because the boat had cabins, bathrooms, etc., and required a different kind of maneuvering. Luckily, the product was solid and endured all my inexperience with great dignity until I became a reliable sailor. As you can see, these passions almost turned into obsessions, with the good, the bad, and the risky sides of that. In general, there was a very poor assessment of risks on my part and that of those close to me, possibly due to ignorance, but there was a tremendous hope that it would be possible and would be resolved. I believe this is the quality that somehow allows me to tackle issues by taking risks.

Another line of work is industrial. As I said, I previously worked in audio, sound. I even did home electrical repairs. Later, when I had the lumber company in Villa Adelina, I exported charcoal, made furniture, manufactured tennis balls, tried to sell a cabin construction system based on sleepers, tried to automate the charcoal bagging system, built machines. One day at the charcoal business, a man who worked with quebracho appeared. He offered to form a partnership. Aside from being crazy, the guy was capable of building machines with bicycle wheels; he had an unusual mechanical freedom. The truth is that this contact with that talent later served me for the hanger factory many years later. In the charcoal venture, I had many partners and thirty employees; we had managed to organize distribution in all supermarkets, but my partners did not want to grow in the direction I was interested in. With them, we bought an island in Tigre and a boat. I wanted to make an automated charcoal packaging plant because the style of production and productivity we had was pre-industrial. Since they didn't support me and I was close to graduating, and I also knew that if I didn't get the managerial degree as a professional, the job door in companies would be closed to me. I decided to pursue a professional career, sold my share to the partners, and went out to look for work. Being a good friend of Pablo Madanes, whose family at that time owned Aluar and Fate, I asked to work at the company. Luckily, they said yes and I started as a cost analyst. Then I became a Buyer of industrial supplies at Kicsa, then moved to Pehuenche, a gypsum factory in the group; there I worked in Sales, Product Development, and then I became Materials Manager at Cincotta. I was responsible for buying everything from invoices and counterweights to cars, branches—in other words, all goods and not merchandise. Except for the first stage in costs, at Fate, my entrepreneurial side reemerged. I remember that in the Kicsa foundry ovens, iron lances

were placed enameled through which oxygen was circulated to bubble in the foundry. Here I proposed doing it with stainless steel, which had a higher melting point and didn't need to be enameled. I went ahead alone, bought some test pipes, sent them to the plant, they use them, and to this day I remember the production manager's shouts because I had contaminated the alloy with chromium. From then on, I was a bit more careful in my innovation attempts. During that period, I developed mechanical projection machines at Pehuenche, developed gypsum-based paints. At Cincotta, I defined the technology for tire shop machines and helped suppliers develop them where the goal was simplicity and effectiveness. Until I went to work at a film production company called Madefilm. Before continuing the story, I want to share a couple of anecdotes. At 18, I was a businessman, had 30 employees, and saw productivity and efficiency problems. On Sundays at Pablo's house, tea was served and Manuel Madanes, an important national businessman, was present. I spoke to him as a businessman to businessman, consulting him about my problems. He always treated me very kindly. All this while I had never worked at or visited a large company. When I started working at FATE and saw what it was like, I felt deep shame. But this man was also a role model for me. He built the empire from a geopolitical and strategic mindset and showed a different path than dreams or imagination. He had a logical and rational framework for everything; from there he built his story. Possibly he was amused by my passion and boldness, but the truth is that when I saw what this man had built and how I had treated him, I was ashamed of my audacity.

Another interesting experience was, at the charcoal business, when a customs broker appeared representing a Syrian businessman who wanted to export charcoal to Saudi Arabia and England. He asked me if I dared to do it. Of course, I said yes, but my problem was working capital. We agreed that I would start copying and that he would reimburse me for what I was doing. I don't know if out of convenience or trust, this good man advanced me thousands of dollars that I managed to meet the goal. And when we had to ship, containers didn't exist, so we hired about ten trucks to take the merchandise from the Villa Adelina warehouse to the port, I looked for loaders at the Boulogne station. I remember once inside the Torino, I put ten strong workers who squeezed in very tightly. The truth is that all this happened to me at a very young age and for some strange reason I generated trust. This project, which had me excited, lasted until Martínez de Hoz revalued the currency and internal costs; then our cost exceeded that of our competitors. Here again I suffered from currency revaluation and lack of credit for bagging technology and working capital. Also, the existing infrastructure at the country level

was inefficient; of the ten trucks we hired to make a 10 km route, some always broke down along the way. From these experiences, I understood that we, entrepreneurs and businessmen, are a thermometer of society, as we suffer all its shortcomings. I believe this is why the entire political sector chose to discredit us, since we are not votes and the list of demands is almost endless. Of course, following this line of reasoning, it is much easier to attend to social plans than to satisfy the needs of a businessman. Besides, those social plans can translate into votes...

When I joined Cincotta, my position was manager of material resources, replacing Juan Cincotta, one of the founders' sons. It was fundamentally a marketing company, managing about 50 branches that distributed FATE products (a tire manufacturing company). It had one hundred vehicles, fifty buildings, and three hundred employees. It was structured with a general management, an administrative management, about three regional managements, and a material resources management, which was mine. The reality was that Juan Cincotta was constantly criticized by the commercial sector, which took advantage of any inefficiency or mistake by the Material Resources management to justify their inability to meet sales targets. In this role, I learned how difficult it is to deal with human beings and the universe of pettiness that emerges when there is some money and power involved. My strategy was to anticipate problems; to demonstrate that if my responsibilities were not resolved, it was due to the users' fault, and when they tried to prove that sales were down because the balancers were not working, I explained that every morning I went to the regional managers' offices to ask if there was any problem, that once a month I called the branches to check the status of the machines, and that I was also available to all branch managers. If with all this they were not attended to, it was due to their negligence. Once this situation was proven, the noise in the sector drastically decreased and I only had to do my tasks well. One interesting issue here was that many commercial problems with suppliers required going back to the records, which were generally payment receipts that administration took and filed in a way that had nothing to do with my information needs. This situation meant I had to have a person permanently searching for information in the files. To solve this, I photocopied the settlements I sent to administration and with that record ordered by date, I had a much faster commercial and administrative response. An interesting issue that arose at Cincotta was that during one of the Argentine crises, when we were building four branches, the general manager ordered me to stop the works. I could have literally obeyed the order, but the reality was that these works were at different stages of completion: one was 20% short, which meant 80% already built was

immobilized. So I used the criterion that for those where we had invested 50%, I would discuss, and the others I would finish, because it was ridiculous to stop them. In this case, following our economic theory, I maximized overall wealth, since I brought to product things that otherwise would have been lost: because an unfinished work is worth nothing. If I have a plot with a half-finished house, it only values the land; if I have it with the house finished, it values the land plus the house.

Another important topic was the power they gave me when I joined the company. Aside from the company shares, I could buy and sell everything in it. To this day, I am surprised by the trust they had in me. Thanks to the good information system I had and cost management, meetings with engineer Tiste, the general manager, never lasted long, as he would set me a goal, and I would ask how much he wanted to invest to achieve it. According to the amount he gave me, I calculated the quality of the results we would obtain. There is also an interesting anecdote. In the tire shops, a number of tools (screwdrivers, hammers, etc.) were used and had to be replaced every month. We made a statistic of them and noticed that their useful life did not exceed three months. Seeing this reality, we decided to buy good quality tools, but not long-lasting ones, since I would change them after three months. And in this way, I adjusted their cost according to their useful life, having arguments to support why that quality and not another. Basically, I tell this anecdote because the investment decision to be made had to do with the duration of the object we were going to generate. That is why when I see in Public Administration that laminated particleboard desks are bought, which at best last a year, it is impossible not to be outraged, because it is known that the official's tenure will be longer than that period and they deserve to have objects with a higher useful life. And not to solve today's problem and increase tomorrow's expenses.the same did not exceed three months. Seeing this reality, we decided to buy good quality tools, but not long-lasting ones, since I would change them after three months. And in this way, I adjusted their cost according to their useful life, having arguments to support why that quality and not another. Basically, I tell this anecdote because the investment decision to be made had to do with the duration of the object we were going to generate. That is why when I see in Public Administration that laminated particleboard desks are bought, which at best last a year, it is impossible not to be outraged, because it is known that the official's tenure will be longer than that period and they deserve to have objects with a higher useful life. And not to solve today's problem and increase tomorrow's expenses.

An interesting issue in the group was that discovering and contributing talented human resources was highly valued;

competitiveness was not encouraged through backstabbing and intrigues, but based on efficiency and productivity. But the problem was that one only got promoted when the superior died. Because of this, I moved to a venture called Madefilm, whose goal was to become a film production company. Its director was Raul de la Torre and the main shareholder was my friend, Pablo Madanes. It seemed like an interesting adventure and we set off in that direction. Meanwhile, I directed the construction of my mother's gallery and by then I already had a significant amount of square meters completed. At Madefilm, I worked as an apprentice production manager, immersed myself in the world of cinema, and began to have some clashes with Raul de la Torre, since he said that in Argentina you could film anything, that everything was there, and I, not being from the guild, believed we did not meet any international standard. I had a very strong argument with this gentleman and ended up touring the United States, seeing the offer of services and technology for filming. Obviously, in that matter I was right, but in the exchange with some people involved in that project, I discovered that in the developed world what matters most is talent. Because an American producer told me: "Give me a good script and the rest will appear." As a result of this comment, I proposed changing the company's profile to generate talent products (scripts) and train national writers to be able to write them. Unfortunately, the patience of our main shareholder succumbed before we could undertake this new direction. But from this experience, I was able to rescue how important talent and production costs are. Because in a movie, half the cost goes to the screenwriter, director, artists, and the other half is for cameras, sets, etc. As I always thought, one has to be in the place where the greatest density of wealth can be obtained.

After leaving Madefilm, thanks to my very bad relationship with Raúl de la Torre, my mother, who by then was a renowned gallery owner, put me in charge of managing a foundation dedicated to industrial design called Munar. This company was created by my mother with a commercial objective, which was to sustain the value of contemporary art by showing an applied version of it. Example: if I have a painting and it serves as inspiration for the print on a tie, and the person who wears that tie becomes rich, they might possibly buy the object that inspired the print. Also, it endorses the existence of that object. This is because art is not disconnected from commercial and economic reality; art is just another input in the process of value generation and inspiration for talents. Because to a designer does not come up with things because they were born from a cabbage patch; they are influenced by a number of factors that affect their inspiration or reconceptualization of them. The idea of this foundation was to generate design excellence. There was a draft formed by Benedít, my

mother, some other artists, and me. The goal was to produce items with design excellence so that these could be manufactured by the national industry. Somehow, we managed to interest a group of industrial design students who brought us their ideas, and we tried to find some sector of the industry willing to realize them. We had very few achievements, and the best industrialist of the foundation ended up being me, manufacturing knives, keychains, mates, bombillas, cutting boards, etc. In this activity, two problems became evident: on one hand, the lack of resources and possibilities of the local industry; on the other, the problem of how much talent is worth, and finally, the price difference between an innovative object and another copied a few months later was clearly seen. Another parameter we had in the foundation was to import, exhibit, and sell products from around the world alongside national ones, with the aim that our designers and clients could evaluate the aesthetic and technical quality of both. Another principle of the foundation was that everything on display was for sale. Because in our country many people believe that commerce and money corrupt and taint cultural and intellectual activities. Our vision was that the economic aspect is an indispensable complement to achieving excellence in any activity, and there is no better way than to lead by example. This idea, which was fifteen years ahead of its time, lasted until another Argentine crisis, when nothing was selling and we had run out of national industrialists to produce the few things we made. By then, it was 1993, when my father fell ill with cancer, and I decided to work alongside him, accompany him until his passing, and continue the industrial activity he had in his company, Los Avipones, which later began to be called Samuel Benzacar, and when I took over it was renamed Benzacar Maderas SRL. The history of this venture begins with the history of the countryside; we started with an extractive forestry industry. To give an idea, this business is done on country roads, with teams of woodcutters; they cut the wood, and that wood is hauled to the town, where it is further processed or sold as is. In its beginnings, my father produced posts, rodrigones, which are sticks to support the vine, and sleepers of white and red quebracho. To make the sleepers, a sawmill was necessary, and thus began the path of cutting wood. At first, he did very well, and then there were good moments and others not so much. We tried livestock farming, and at that time the investment needed to systematize the land was too significant, and the price of meat, which is a sensitive element in the Argentine family basket, was very depressed, so we opted to buy more land. In 1983, when Alfonsín took office, my father had delivered $500,000 worth of merchandise to Ferrocarriles Argentinos, and that invoice was unsettled: I ended up collecting it 20 years later. As a result of this blow, an attempt began to further process the wood and

study the issue of making plates, cutting boards, etc. And slowly, it began to equip itself in this direction. He managed to get distribution in supermarkets, and when he fell ill, I took over this reality. The truth is that by then the company was very deteriorated because there was competition from imported products, and they pushed us out of the market. My father passed away; my mother, who was fond of those lands and that place, considered it a project worth continuing, and I, somewhat in his memory and trying to prove it was viable, put all my effort into continuing it. One of the distributors we had was Rody, from Bazar Rodén. His main client was Supermercados Norte, whose owner was Mr. Gil. One day Rody showed up with a wooden hanger and told me that thousands of those products were sold, and asked why it wasn't priced. Following this request, I asked for an interview with Mr. Gil. In it, I proposed charging him one million dollars per hanger. He asked how that could be, so I explained that they don't come from trees but from a factory I don't have, and to be blunt, I told him that if he asked me a stupid question, I would answer with another. From there, I proposed having a rational dialogue, asked how much the imported ones cost, he said eighty cents of a dollar, so I proposed manufacturing hangers at that price and seeing if I could find a way to produce them. From then until 2001, I made hangers and was the largest producer of them in Argentina.

From the experience of making hangers, I drew several conclusions. The productivity level of the factory when I took it over was very low for a currency that was appreciating. First conclusion: productivity is proportional to the strength of the currency. This need to increase productivity led me to develop an assembly line. And here I became aware of the immense amount of resources per job position necessary to reach the productivity that would make the project profitable. Example: suppose a service company is dedicated to putting screws in with a manual screwdriver. By hand, I can put in 100 screws a day. Suppose I need two days' working capital equivalent to 200 screws. Suppose a pneumatic screwdriver is bought, which can put in five thousand screws a day. The capital then will be ten thousand screws. As we can see, the productivity increase caused by the technological change caused a very significant increase in resource needs, proportional to the productivity increase. I experienced this firsthand when I decided to manufacture hangers in the quantity the market demanded. This required an increase in the resources necessary to reach the productivity the goal demanded and a very significant money investment. From there, I drew the following conclusion: either I got the money or I got the goods. Since our financial system is extremely stingy with manufacturing industry to provide funds, I turned to getting goods. How? Financing myself with

suppliers in the case of capital goods, manufacturing them. I believe that episode was an experience that strongly impacted my conception of wealth.

The other interesting issue was that the main clients were supermarkets. Obviously, my negotiating power with them as an SME was nil. This reality allowed them to extend payment terms, charge me interest for early payments, subject me to countless arbitrariness; in short, I felt like an object of use and abuse. I began to feel how necessary it was to have a state that regulates these relationships. I began to define one of society's illnesses, anthropophagy. Trying to solve this problem, the government opened the Office of Commercial Loyalty, which was supposed to protect this relationship. With that Office, I had two revealing experiences: Once, under-invoiced merchandise had entered the country. I made the complaint, the people from Commercial Loyalty investigated the products on supermarket shelves and ended up with a summary inbecause my products did not say "Industria Argentina" even though they said "Quebracho Blanco, Santiago del Estero," the company name and the phone number. That summary forced me to re-label twenty or thirty thousand units and pay a fine of three thousand dollars. In this example, it can be seen that that department complied with the forms but not the content, one of the variants of intellectual dishonesty.

Another issue that was strictly verified was that of the circulating money. When the money in circulation increased, sales increased and vice versa. The factory was located in the middle of nowhere, in a small town 200 km from the city of Santiago del Estero, and one could feel the problems caused by the lack of infrastructure, roads, communication, electricity, health, and education. A large part of productivity and efficiency was related to external services. I began to realize that we industrialists are a thermometer of reality. And that for the political class, attending to a company like mine was a nuisance since it is only one vote, which does not influence elections. I believe the link between the political class and large companies has much more reciprocity than with SMEs. This is another intellectual dishonesty. Because those two species, government and big industry, work for their survival and permanence in power without worrying about the other social actors. Here it can be seen that a limit to that type of relationship is the global wealth, which somehow forces consideration of the other actor and to numerically define how the shares are, preventing this mandate the transfer from one actor to another and forcing the search for a solution to profitability in innovation and creativity.

In the year 2000 my mother passed away and my sister and I decided to divide both the assets and the liabilities: she continued with

the gallery and I kept the farm.

In 2001, with the Argentine crisis, I almost ended up in destitution but I counted on the same efficiency as the country and the chaos was such that the system allowed both of us to stay afloat. In my case, it was not necessary to file for bankruptcy; I was able to adjust the burdens and move forward without reaching that extreme.

From 2005 to the present (April 2007) I have been undergoing a transformation based on migration towards consulting and management services.

From this succinct biography I want to highlight and convey the entrepreneurial spirit of my family (a characteristic inherited by my sister and me), the grit and affection with which new projects were undertaken, and the clear fact that generally everything started as a dream or a fantasy from which one got to work and built by facing the difficulties presented by reality.

In general, this country did not allow entrepreneurs (both my parents and others) to achieve the deserved results nor did it let them build realities that matched their projects and efforts. Inevitably, when contrasting the original fantasy, the possible and the desired, seas of anguish and frustration arose.

Within this panorama, my family was lucky, if it can be called that, since it always managed to overcome the country's crises with some dignity. I have seen cases of enormous injustice in families who, sharing the same desires to progress by doing things, were dragged into bankruptcy or destitution because of the economic vicissitudes of our country.

Never in the course of these economic ups and downs did I hear an explanation that would allow me to understand why they happened, why they brought those consequences, what had to be done so that they would not happen, etc.

I believe this work is an attempt to answer all the economic questions that arose during these fifty years of life. It is not in my spirit to blame myself or others. I only want to understand why things did not work as they should. In this book, I try to answer that question constructively, shedding conspiratorial theories and fundamentalist positions, to arrive at a possible answer that explains the why of the past and the way to face the future.

* * *

Pragmatic aspect of the system: analysis and interpretation

An alternative for implementation

In principle, to put into operation the system we have been proposing, it is essential to have political support.

Of course, what we propose is neither a political platform nor a political movement. We suggest working with the current economic policy to transform it into a greater supply of resources. In pre-material societies, this work serves as a foundation to generate development and well-being.

In Argentine universities, which are quite politicized, Maoists, communists, radicals, etc., coexist. When I attend them to give talks and the moment comes to talk about wealth, it seems as if I summon the devil. Anger, rage, hatred, indignation arise immediately. Once all that accumulation of feelings is clearly perceived in the air, I ask the most radical person in the audience to explain what they would do if they had the chance to be in government during a severe flood in their territory. Inevitably, the answer is that the flooded people must be attended to, given food, shelter, blankets, and so on. To which I respond that those objectives are correct, but to satisfy those needs, it is imperative that the resources exist. But if they do not have them, no matter if the rulers are communists, Maoists, or whatever, they will have to face the flooded people with nothing, and it will not go well for them. Here we arrive at what this book proposes: a program to ensure that resources are always available. Once that happens, the possibilities to satisfy people's needs concretely come. It is important to clarify that when we say that resources must be available, we are not talking about who owns them, but that they are found in the territory, because if this does not happen, even if we have the money to buy them, it will be much

more difficult to satisfy people's needs in time and form.

A politician's goal is to conquer power. They usually suffer from two diseases: remaining in power and forgetting the purpose of their conquest. Suppose there is a politician who knows why they want power: to satisfy human needs. How will they achieve it? By generating or producing economic growth and development. This man

wants to provide more jobs, more opportunities, better quality of life. He decides to launch his plan by creating a non-governmental entity supported by the state and large companies. In this way, he ensures that the members of this NGO are not immersed in the pettiness of bureaucracy and politics. The organization he founds is strictly pedagogical; its function is to transmit knowledge and train teachers and students in its use. You may be wondering how he will accomplish this. Initially, there is a matrix of human resources (teachers), who will be recruited progressively. As training courses are given, officials withpresumed pedagogical capacity and passion for the proposed line of work are identified. Those who meet these characteristics will be invited to participate in the project. In this way, a pyramidal structure will be created, with exponential growth, and much of the methodology used in direct sales. After this, our politician will assign us a Directorate, a Municipality, a Department, or a government sector where he wants the change to begin operating. Imagine the chosen site is the Customs Office. Our teaching staff begins to give classes to disseminate the concepts to all the personnel of this institution, including management. One of the exercises proposed for this stage would be something like: Who will dedicate a day to me in exchange for one million dollars? To carry it out, we have a physical one million dollars printed. We show it to the audience while telling them we want them to see the volume that million occupies. Then we ask who in the audience would dedicate a day to us in exchange for the million. Usually, the one who seems the boldest is chosen to come forward. This person is invited to board a plane. It lands in Antarctica, and our participant must get off. Here it is logical to suppose that the individual will be dead from cold within fifteen minutes. We propose to exchange half a million for a box of matches, a deal that is quickly accepted. In the next few minutes, he proceeds to set fire to the other half of the million and then begins to ask to be returned to the continent. For this last part, he will be made to sign a document committing to pay twenty million dollars for the return. From this game, the question arises: What does it mean to be rich? Thanks to this exercise, we can observe the students' behavior and evaluate their way of thinking. The course will continue developing with more problems of this type. Thus begins their classification. For this, a student evaluation matrix will be carried out consisting of rows and columns. In the rows, the degree of knowledge of the concepts, willingness to improve, desire for the common good, responsibility towards work, etc., are placed. In the columns, their reaction to problems once they have this knowledge is evaluated (assessment of reasoning style: behaviorist or structuralist). Our managers and directors will be those who have excellent personal attributes and a structural way of thinking. On the other hand, those

with excellent personal attributes accompanied by a behaviorist way of thinking will be the most suitable to obey (behaviorism: for every action, a reaction is generated). It is known that a structuralist is the one who creates the paths while the behaviorist never leaves them.

Having this pre-classification of human resources, the next step will be to provide specific deepening courses for each of these profiles. The structuralist will be presented with situations, asked to build the decision matrix, the administrative circuit, and the different paths to follow, always oriented towards maximizing global wealth. The behaviorist will be asked to detect what is not regulated and raise it as a problem, to detect what is not standardized and present it, etc. He will be asked to be monolithic with the line of signatures upstream and downstream, that is, to feel responsible that the decisions made are reflected in reality. Example: one of the most serious problems in leadership in our country is that when decisions are made, the reaction is not associated with what was expected to happen. Within the World Trade Organization, there is a regulation that allows, among other things, to defend oneself from the type of aggression I suffered years ago as an industrialist due to imported products also from China. This legislation recognizes two defense strategies: dumping and safeguards. In my case, after two years of unimaginable efforts and having gone through the Secretariat of Industry and the Ministry of Economy, I managed to get the dumping decree issued. This means that the Ministry of Economy considered that my sector was being attacked and deserved protection. Curiously, the executing arm of this measure is Customs. Once the measure was implemented, my competitors (the importers) ignored its existence as imported goods continued to enter normally, as if the regulation did not exist. A year after the resolution was approved, I was summoned by the head of Customs inspectors. He told me he had recently been appointed and was interested in understanding how product classification worked. We arranged to meet the next day at ten in the morning in his office. I arrived with a sample of the products so that this gentleman could draw his own conclusions. I found out that at that very moment there was a strike by the inspectors. By eleven in the morning, the official who had contacted me was removed from his position. Nevertheless, I requested to see some Customs inspectors and was able to speak with two of them. I explained that they were sacrificing a town in the Argentine Republic (where the factory was located) because of two containers (monthly import volume of the product in question). They asked me to make a list of what they had to do with the products mentioned in the resolution. Indeed, hangers stopped entering Buenos Aires. Conclusion: Buenos Aires Customs has forty-four inspectors who control everything entering the country. They constitute a force

that should be aligned, initially aiming for them to be dishonestly consistent with the idea. This means they should protect what they are asked to protect. Nowadays they do so but do not respond to any orders. To combat this reality, we came up with the idea of critical mass. It is impossible to generate change in an institution like Customs without deploying a minimum number of people to ensure that the provisions are enforced.

Regarding the spirit of those resolutions, I must share another anecdote. In our country, during times of prosperity and populism, an industry based on labor lawsuits was created. One branch of these was related to occupational diseases and accidents. The Minister of Economy, hearing complaints from industrialists about this situation, decided to create a Work Risk Insurance called ART (work risk insurer). Our legislators made the system mandatory, turning it into a big business. Moreover, if one did not register their staff with a private ART, the regulatory agency could at some point demand the amount that should have been paid (a hostage situation). With the 2001 crisis, many small business owners were unable to pay the ART fee, including a friend of mine. In 2002, he received a call from a lawyer belonging to the regulatory agency whose goal was to claim payment of the alleged debt. With great respect, he explained that he was in an almost terminal crisis, where his priority was to pay his employees' salaries. If the debt was so important, she should file for bankruptcy and take responsibility for his forty employees. In this particular case, the system showed an inconsistency in the face of the crisis, possibly because such a situation was never anticipated. They were killing the one who provided their livelihood (anthropophagy). Given the flaw in logic, the lawyer stopped pursuing the claim. In this example, two lessons emerge: first, the line of officials tried to enforce the regulations without understanding that these were designed to favor or minimize the employer’s labor costs. The second is that when the system was created, the regulations never anticipated a crisis of this kind. Because of this behavior, I believe our society is fascinated by form rather than content.

As we can see in the previous example, several maladies arise: anthropophagy (attempted collection by the regulatory agency for a service not rendered), intellectual dishonesty (putting the entire industry hostage to this regulation), intellectual dishonesty of the creators of these laws and their regulations, by failing to adjust them to new boundary conditions when the crisis came.

Returning to our training, as we said, at this stage we are trying to develop directors and managers with structuralist thinking and a line of firm employees with behavioral thinking. The content provided will allow all officials to discern very clearly the good from the bad.

Because in a society where there is mortality and child malnutrition, indigence and more, the squandering of resources and lack of opportunities to generate genuine employment constitute a criminal act and should be judged as such. Likewise, all those aligned with this idea should be able to receive social recognition.

Once the cadres are classified and trained, they are deployed to the corresponding area. The arduous work of these people begins, consisting of making the system an organism coherent with global wealth. To do this, they will have to explain, disseminate, and reinterpret everything they have learned. If during this task the possibility of several alternative paths arises or if the interpretation of the regulation opens a universe of possibilities, we recommend creating a board of notables to propose which alternatives maximize global wealth in the decision-making process.

I want to point out that rules and regulations cannot replace human interpretation and spirit. The same regulation applied in different societies and contexts can produce opposite results. Given this situation, transculturation becomes a truly serious problem. For example: in American society, the free market is promoted. The United States imports large quantities of manufactured products from China and curiously this trade benefits both countries. What is the cause of this? To explain it, we will tell a little story. Imagine the U.S. Minister of Foreign Trade goes to China for an interview with that country's Minister of Transport. He tells him he needs a thousand jumbo jets for domestic coastal shipping (a business worth one hundred billion dollars, the price per kilo of the jumbo is one thousand dollars per kilo). The American official asks about the payment method, to which the Chinese respond that since they do not print dollars, the only way to pay is for them to buy things. After this, the U.S. Minister of Commerce returns to his country, talks with the Walmart supermarket chain and Boeing factory, deciding to import Chinese products (products that cost at most three dollars per kilo). In this way, he opens the American market, China begins exporting to the United States, earns dollars and begins to pay for the airplanes. Someone might argue that this practice causes certain jobs to disappear in the United States, specifically those generated by industries producing what is now imported. This is true, but alongside the decline of some sources, others increase (those at Boeing, for example). The link we have just described is successful because what the Chinese buy has a very high added value. This same concept of liberalism applied to a society that sells products with lower added value will end up generating unemployment, joblessness, and poverty. Therefore, it is essential that our line of firms remains consistent with the goal of achieving the well-being of the people or the society in which they live.

Returning to the topic, in the sweep conducted there are also officials with a strong pedagogical spirit. They, qualified in the same way as the operatives, will create pedagogical structures in the provinces or respective municipalities. This activity will allow our concept (mandate) to be disseminated with unprecedented speed.

It would be ideal if our non-governmental institution had a space in the media. This space should be dedicated to discussing, from a constructive perspective, the different alternatives to be implemented. Additionally, it should generate certain knowledge to put a stop to diseases such as intellectual dishonesty or anthropophagy, sometimes disguised in passions and fundamentalisms. A website could be created where people send proposals to improve the reality they live in. For example: an administrative worker at a hospital responsible for purchasing supplies might have developed a method to buy economically, presenting it on the page. Another example, this time real, concerns the need to purchase radars in our country. I have never heard a serious public technical discussion about this. I am absolutely convinced that there must be some Argentine capable of carrying out a coherent frame of reference, possibly also a leader of opinion. If this work were carried out, certain judicial actions currently allowed would be avoided. I do not believe any company would oppose the position taken by officials, professors, and scholars. I must admit I am completely unaware of the technical part of the radar issue, but I know that this topic ended in a cross-challenge between the bidders, INVAP (which will manufacture and deliver the radars), and the country (which has lacked them for years).

Our training strategy is therefore based on a sweep of officials throughout the public sector, classifying them according to the valuation matrix; on the existence of a line of firms consistent with the mandate; and on a society that participates constructively in decision-making. An anecdotal example: when I visited the United States, I was struck by the quality of construction of many public offices. Reflecting on this, I deduced that the official responsible for preparing the specifications for the respective tender prioritizes the fact that the office to be built must last one hundred years and that maintenance costs should be only a minimal part of public expenditure. A week after returning from the trip, I went to an office of the Government of the City of Buenos Aires, looked carefully at the place, and saw damp walls, poorly done electrical installations, rusted enclosures, deteriorated furniture, etc. Evidently, there had been no prior reflection by anyone here. Similarly, if one looks at the public buildings made by the English between 1890 and 1930, one can notice how they endure with great dignity. With all this, I want to say that if we want to avoid exacerbated building deterioration, we must create a board where engineers,

architects, intellectuals, etc., generate a common ideology about how to build public buildings. Obviously, it is not enough to do the works in any way since this generates numerous problems and costs in the medium term.

We recommend replicating the proposed model at provincial, municipal, and other levels. It is similar to the pyramid structures of direct sales.

The implementation strategy should be sequential. With the public sector aligned with the mandate, the mandate is simultaneously disseminated to the private sector, which will quickly understand the concept as it becomes familiar with it through how regulations and laws are interpreted and executed.

The goal of dissemination is to ensure that the sum of the pettiness of social actors is limited and does not work against overall wealth. This will allow us to have the human resources to generate significant structural transformations.

Practical use of these concepts by people

Our goal is for the concepts we propose to help people build a strategy in allocating their surpluses and managing their economic lives, especially in crises. For example: many people consider a car a capital good, although it is easily demonstrable that on the first block it loses 20% of its value and produces an annual cost of 10% of its value between taxes, insurance, etc. As we can see, this object has connotations of comfort, social status, and utility; that is, its purchase is not only decided by its functionality for work or our activity but by factors related to ego or self-esteem. Although possibly, if our income is substantial and the car is not an important part of our life, we can afford that expense without evaluating how it affects our overall wealth. By applying our concept, we would choose the combination of car price and functionality that maximizes this result.

Balance between use assets and available assets

A house is defined as a use asset since, whether large or small, expensive or cheap, it is used for living. Is it capital? Yes, but it is only available when I give it up. Suppose you have money to buy two small houses or one large one; both options are located in the same neighborhood and have the same construction quality. The rational thing would be to maximize our wealth, so if we do not need a large home, we should buy two small ones to rent one out and generate income. One would be a use good and the other an available good, which would allow us to carry out another operation in the future. This distinction between available and usable is fundamental within a

resource allocation strategy. In my family, they have always been enthusiastic about owning things; that is why many times we felt like poor rich people, since fields, properties, or houses cannot be eaten.

Another goal to achieve is the maximization of overall wealth. As a strategy to achieve this, situations must be created that generate income and increase assets, which means that the probabilities of each investment we make must be evaluated beforehand. For example, in property purchases, the environment, public or private investment, and the uniqueness of the area are factors that create possibilities for appreciation if properly assessed. Many people make significant investments in the neighborhood where they grew up and then, when these are monetized, they do not cover the value invested. An investment has been made taking into account emotional or ideological parameters. When my parents got married, they had a small apartment on Añasco Street. When my father started doing well, we were already four and the need to move arose. My mother, a person with strong ideological convictions, considered that moving to Barrio Norte was contaminating; so, both she and my father decided to buy a PH in the Caballito neighborhood, in which they invested a fortune. They turned that house into an architectural object twenty years ahead of its time. The reality is that the effort and money invested there were never recovered. Those same amounts in another neighborhood would have been a more than profitable real estate investment. I must admit that today, thirty years later, the neighborhood is improving.

As we can see, in situations of scarce resources, their management and allocation require rationality and responsibility. Resources can be squandered without considering the great effort it took to obtain them.

Person, family in crisis

Suppose we are working well but the country enters a recession and our company faces a lack of sales. Unfortunately, many times in these situations the system expels people from itself. The way these people behave in the face of crises is fundamental for their survival and that of their families. In these situations, the main premise is to protect wealth and the capacity for transformation above all else. Example: we can think of two different cases, that of the employee and that of the self-employed. If you are an employee, first you must evaluate the possibility of receiving severance pay provided by the employer. Then you must consider the intangibles the company may pay for a time: health insurance, cell phones, etc. One must reflect on all the possibilities available to try to maximize them. Another issue to consider when talking about people is their liabilities: taxes, credit

cards, loans. When economic problems arise, these must stop being paid because savings and cash must be preserved until a new job is found. In this, managing legal deadlines and the possibilities of finding work are two parameters that must be carefully considered to navigate decisions of this kind.

Now, in the case of the self-employed, in a crisis they must preserve their capacity for transformation. If they are a taxi driver, the car; if a carpenter, their tools. Many times people, in their eagerness to resolve pressures, give up the resources that are their source of income, thus condemning themselves to destitution, discouragement, and lack of hope.

An interesting problem to see if the concepts are clear is the following: we have money enough to buy a supercomputer or to take a course on a topic functional to our work. What would you do? If we apply our definition of wealth (available stock plus capacity for transformation), we can consider the PC disposable because its resale value is zero, but the course is not a tradable asset either. Therefore, this dilemma only improves our capacity for transformation. The question is whether that PC allows improving one's productivity, in which case it is logical to buy it. If not, the reasonable thing is to take the course since it offers the possibility of increasing the capacity for transformation. Normally, in such a situation, the playful aspect is what ends up winning, not necessarily the one that increases our overall wealth.

Practical use of these concepts by companies

Companies must allocate resources in such a way that they maximize their overall wealth. To better develop this issue, we must classify them into pre-material, material, and post-material companies. In our country, most small and medium-sized companies are pre-material since in terms of resources they are around ten thousand dollars per job position. Meanwhile, in material countries, these are around eighty thousand dollars. This difference is reflected in lower productivity, which, depending on the market, translates into lower wages, higher prices, and quality

In a crisis situation, companies must be very careful in managing their resources. Generally, if it is a manufacturing company, there are countless processes in which investment must be made. If the same is not done in all of them, the result is not noticeable, since the improvement in the capacity for transformation is not seen because 'bottlenecks' are generated. That is why investments must be made at marginal cost, that is, buying used machines, refurbishing machines, etc. It is logical that the company invests as little as possible in fixed

assets and is positioned in available goods, finished products, and raw materials, since all of these allow liquidity. Often disputes are seen between partners, managers, or employees over assigning available assets to square meters, employees, or resources, which have no correlation with increasing the capacity for transformation, thus producing a decrease in overall wealth. Officials who behave this way do not deserve to remain in their positions. The requests that generate such conflicts do not always respond to an increase in the capacity for transformation. Many times they arise due to the excessive eagerness of officials or attempts to justify their ineptitude. Every company must position itself within the mandate that fights may exist, but not at the expense of the company's overall wealth. Here again, the concepts presented in this book should serve to achieve a rational discussion for resource allocation. Many of these are assigned to intangible investments but have a counterpart in the real economy, and that is why the economic result must be clear.

In entrepreneurs' strategic decisions, the perception of the capacity for transformation is fundamental since it is a value added to that of real goods. For example, in Argentina, in each of those crises that seem terminal and close to the end of the world, many companies, feeling legal insecurity, lack of market, and social violence, decide to withdraw from the country. Some entrepreneurs, instead of seeing the reality of that moment, dedicate themselves to buying at opportunity cost tangible and intangible resources. It is true that this is a high-risk bet, but if it succeeds, the patrimonial results are very significant. In this case, the entrepreneur had the ability to envision a future where real assets have a logical value and the transformation capacity generates an acceptable profitability. To achieve these results, it is essential to have an optimistic vision, to have strategic thinking that allows us to evaluate the probabilities of success and failure, or historical thinking, taking into account that crises have always been overcome by having the capacity to withstand the pressures inherent in the transition. There is also practical thinking, which in our country is based on the idea that as long as we have food to distribute, it is impossible for an uncontrollable social outbreak to occur. It was demonstrated in the last crises that the government distributed food and allowed the population to express themselves until they grew tired of what they thought. Thanks to this combination, we never had a revolutionary social crisis.

An important issue to address at this point concerns the principles that companies must fulfill and the associated mandate. The first principle of a company is to sell, the second is to collect payment, and then comes Harvard, etc., and everything else you want to do with the company. The mandate is to try to manage the greatest amount of

resources possible, whether purchased, financed, granted, or rented. Having many resources and having them aligned with the business guarantees the possibility of having an organization more resistant to crises and with better chances to develop and grow. Worldwide, this is reflected in companies that have more than eighty thousand dollars of assets per job position. One must not confuse managing resources with managing them with own capital. There is supplier credit, rental of production goods, and others that we can manage and use without needing to pay for them in advance.

* * *

Company in crisis

In Argentina, a country with vast experience in economic crises, it is essential that the entrepreneur knows how to face these situations. As already explained, we believe that if the political sector does not make a landing with a critical mass of officials aligned with its idea and if that idea does not have a mandate that homogenizes interpretations, the persistence of those traumas is inevitable. If we interpret our philosophy of the mandate, we recommend that in the case of manufacturing companies, the purchase of capital goods be done at marginal cost. This means that if we decide to leave the activity and sell these machines, the sale price should be as close as possible to the purchase price. It has been seen that many entrepreneurs with healthy work attitudes have tried to capitalize their companies by taking credits within the system internally or externally. If when they made these investments it was not an expansive moment of the economy, these entrepreneurs often ended up bankrupt. Many of them still do not understand why what happened to them happened, since they invested to improve their work and results. The reality is that when one buys a new machine, one is paying a price that guarantees a certain productivity, and if the market supports it, it will surely pay for itself.But if in the meantime a crisis occurs, that machine starts working at lower activity levels. There have been cases where it is better to stop it since the amounts of raw materials before and after the machine are so large that financially using it becomes unfeasible, and those same companies revert to previous technologies and productivities. Now, how different it would be if the machine is bought at a value that matches its value in the middle of a crisis. That would prevent consolidating losses and solve the financial problem, if there is one.

In the last crisis in our country, many companies that had equipped themselves with the latest technology decided to sell their machines to neighboring countries. In the case of a company in crisis, it is essential

to protect operational capacity (transformation capacity), not allowing the pressures from our creditors to damage its operational capacity, as this is what will allow us to pay them and support our family and employees.

It is interesting to see that in those moments of crisis it seems that nothing has value and the reality of that moment supports it. But the truth is that over time everything finds its balance and true dimension. That is why if we have these concepts clear, they will help us understand how events unfold to make the right decisions based on them.

Regarding managerial staff, if they share this mandate, it will allow for rational dialogue with them, each trying to maximize the overall wealth of the company in all their tasks and obligations.

It is important to understand that this last point does not necessarily coincide with profit. For example: our company may have earned ten pesos but we do maintenance and improvements on machines that increase their productivity. These reforms will surely not be activated and will affect the results in accounting terms. They would be put into operation at the purchase value of all those inputs and resources, but a machine from the early last century, refurbished with current materials and automations, can have the same productivity as a modern machine. Therefore, that asset should be valued at the market price of modern machines, since its contribution to productivity is very important. It is very difficult for this to be reflected by accounting, and even less so in a small company, since the only way to capture such situations is through technical revaluations, which are expensive and difficult to record. On the other hand, our entrepreneur, if perceiving the increase in transformation capacity from all the effort described above, realizes how much richer he is. Unfortunately, this is very difficult to translate into traditional accounting parameters, which are totally affected by tax problems. That is why communication based on the idea of increasing wealth and how much each one contributes in that direction will allow choosing the path that maximizes accumulation and optimizes resource allocation.

Practical use of these concepts by the State

According to our hypothesis, the State, given the scale of resources it manages and the obligation to lead society towards the prosperity it seeks or deserves, is the operator responsible for generating the conditions (through tax, financial, and legislative tools) so that society as a whole helps increase the global wealth; punishing anthropophagy, intellectual dishonesty, and corruption while rewarding the increase in transformative capacity and available resources. All these economic

aspects are closely linked to health and education in terms of human resources.

As has already been explained, much of the transformative capacity depends on people's talent and it should be a success in management to detect it in time, develop it, and strengthen it.

To implement everything explained above, it is essential to carry out work in stages and by cells. Their reproduction will be associated with the possibility of extracting from these organisms people capable of spreading this commandment and replicating it, thus allowing at some point the generation of a complex organism that functions harmoniously. That is why we propose making landings in strategic sites, we recommend having the entire signing line indoctrinated, and as that cell begins to behave healthily (functional to the commandment), it will start exposing the sectors, departments, and secretariats that are not behaving coherently with the commandment to call them to reflection so they align. If they do not understand the message or challenge it, when we again have a critical mass of people allowing a landing in that sector, it will be colonized, and so on. At this point, it is important to note that this concept or strategy is similar to a chain reaction: the more people align with the commandment, the more human resources there are to spread this preaching, eventually reaching explosive evolution, as it has exponential geometric behavior.

All this is possible because we are clear that we must spread a commandment that has content, a pedagogical strategy, and the objective of aligning a critical mass of people to fulfill the political dream of that moment. We must point out that we are not doing politics; we are saying: "Gentlemen, any policy you want to implement needs resources to put it into practice, and these come from better management of what is already possessed plus increases in transformative capacity and available stocks that can be generated in the future." This means our resources will come from the effort and talent of our citizens. There have been moments in Argentine economic history when prosperity was centered on foreign currency inflows, but these were the result of loans and were basically used to improve people's quality of life, not to generate jobs. When the flow of that money ended, the magical vision of living on borrowed funds always led to a depression and anguish from which we are now emerging. Unfortunately, I sense there was not as deep a reflection as necessary, so I dare to predict that as soon as external conditions change (commodity prices), we may possibly face a new crisis. Why am I so pessimistic? It is clear that this government has a commandment of economic growth but it is not based on content or talent. Without content, it is very difficult to indoctrinate the line and generate a critical mass aligned with this thinking, because when the

crisis comes, it is essential to have fine tuning in the management and allocation of resources to maintain and preserve growth and development.

Practical use of these concepts by NGOs

Walking through my country I see poverty and that situation makes me angry and indignant. I also see injustices, which awaken violence in me. Additionally, I see pollution, among other things, and I become saddened. If one feels they cannot do anything to change these issues, impotence arises. This can lead to violence, fanatic violence, or indifference. I have observed how many NGOs, through the activity or issue they choose to get involved in, allow a large number of citizens to develop a task that, depending on how it is carried out, can be anything from a placebo to a cure for society. That is why it is essential that these institutions adopt our commandment, because the path to the possible is not a linear path but a path of successive approximations. Generally, linear paths are associated with dictatorships, fanaticism, repression, violence, or substantial economic resources to smooth all resistance that arises. That is why if NGOs adopt this language, communicating upstream and downstream with this content, it will possibly be much easier for them to produce definitive cures for society. Furthermore, from all our explanations it is clear that the strategic objective of these institutions should have influence in the allocation of resources to offer alternatives that improve general welfare.

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Confirmation of the need for our theoretical framework

Confirmation of the need for our theoretical framework

Fortunately, during the writing of this work, a note appeared commenting on how Malawi solved its famine problem. We transcribe the note and will correlate paragraphs from it with our system.

Transcription of the article by Celia W. Dugger published in Diario Clarin in December 2007

LILONGWE, Malawi. For years, Malawi remained on the brink of famine. But after a disastrous maize harvest in 2005, nearly 5 million of its 13 million inhabitants needed emergency food aid.

Today, that nation, which had eternally required assistance, feeds its hungry neighbors. It sells more maize to the UN World Food Program than any other country in southern Africa and exports hundreds of thousands of tons of maize to Zimbabwe.

In Malawi itself, the prevalence of acute child hunger has fallen considerably. So much so that, in October, the United Nations Children's Fund sent 2.7 tons of powdered milk from there to treat severely malnourished children in Uganda. “We are not going to use it!” said Juan OrtizIruri, UNICEF representative in Malawi, joyfully.

Farmers explain the extraordinary 180-degree turnaround that country made, with huge implications for famine-fighting methods throughout Africa, with one word: fertilizers.

For the last 20 years, the World Bank and some wealthy nations from which Malawi received aid periodically pressured this small landlocked country to adhere to free market policies and cut or eliminate fertilizer subsidies, even though the United States and Europe heavily subsidize their own farmers. However, after the 2005 harvest, the worst in a decade, Bingu wa Mutharika, Malawi’s newly elected president, decided to do what the West practices and not what it preaches.

“As long as I am president, I don’t want to beg for food in other capitals,” Mutharika declared. Patrick Kabambe, a top official in the

Ministry of Agriculture, said the president told his advisers: “Our people are poor because they lack the resources to take advantage of the soil and water we have.”

The success of Malawi’s subsidies led to a reevaluation of the role of agriculture in alleviating Africa’s poverty and the importance of public investments in essentials for an agricultural economy: fertilizers, improved seeds, farmer education, credit, and agricultural research.

Malawi, an overwhelmingly rural nation, represents an extreme example of what happens when these essentials are missing. As its population grew and inherited landholdings shrank, the impoverished planted every inch of soil. Desperate to feed their families, they could not afford to fertilize their land or leave it fallow. Over time, their worn-out plots produced less food and farmers fell into deeper poverty.

For decades, Malawi’s leaders supported fertilizer subsidies, yet reluctantly agreed to donor prescriptions, often determined by external aid notions decided in Washington, which included faith in private markets and antipathy toward government intervention.

After a scathing evaluation of the World Bank’s record on African agriculture, an agency inspector concluded in October that eliminating domestic subsidies not only led to exorbitant fertilizer prices in African countries, but the Bank itself had often acknowledged that improving Africa’s declining soil quality was essential to raising food production.

“Donors eliminated a function performed by the government and disasters piled up,” said Jeffrey Sachs, an economist at Columbia University in New York, who lobbied Britain and the World Bank for Malawi’s fertilizer program.

Strong fertilizer subsidies and smaller seed subsidies, combined with good rains, helped Malawi’s farmers produce record maize harvests in 2006 and 2007, according to government crop estimates.

Some economists have questioned whether this year’s Malawi harvest should be credited to good rains or subsidies, but an independent evaluation funded by the U.S. and Britain found that much of this year’s grain production increase is attributable to the subsidy program.

Last year, about half of Malawi’s farming families received coupons entitling them to buy two 50-kilogram bags of fertilizer, enough to fertilize 4,000 square meters of land, for about $15, roughly a third of the market price. The government also gave them coupons to obtain enough seed to plant just under 2,000 square meters.

Malawians still feel the ghost of the 2001-2002 famine. In those years, an already reduced program to provide poor farmers with enough fertilizer and seed to plant just 1,000 square meters was cut

again. Regional floods further reduced the harvest, maize prices soared, and under the government then in power, the entire grain reserve was sold off due to mismanagement and corruption.

Malawi's determination to heavily subsidize fertilizer and the reward gained as increased production are beginning to change donor attitudes, some economists who have studied the case indicate. Britain's Department for International Development contributed 8 million dollars to the subsidy program last year. Bernabé Sánchez, an economist with that agency in Malawi, calculated that the extra maize produced thanks to the $74 million subsidy was worth between $120 and $140 million.

"It really was a good economic investment," he stated.

Comments

The first paragraph coincides with a serious definition of premateriality.

The second paragraph coincides with a significant increase in global wealth, expressed in terms of its transformative capacity.

In the third paragraph we can see that the transformative capacity was the result of a change in agricultural technology through fertilizers and transgenic seeds.

It can be seen that the recommendations of the material countries suffered from intellectual dishonesty, as they could not reconceptualize their knowledge in a prematerial society. Therefore, even if unintentional, they caused harm to countless people.

The social mandate that enabled this transformation, in this case, was the president's proclamation to become self-sufficient in food so as not to beg from other countries. Our system interprets this proclamation by allowing the forces of this prematerial society to be ordered and directed toward achieving these results. What the article does not mention, and which surely must have been effective, is that at least in this item it must have counted on the critical mass of officials that allowed the correct allocation of fertilizers and seeds, and the evaluation of farmers. Here it can also be seen that the government of Malawi strongly participated in the technological change that allowed the increase in the capacity to process tons of maize. This is logical because, no matter how poor the country is, the percentage of the gross product managed by this government and the human resources associated with it allowed it to generate this transformation.

As we see, there are paragraphs that reaffirm the problems of conscious or unconscious intellectual dishonesty that prematerial countries may suffer because the notion of wealth in material countries

is internalized and not made explicit. Thus, all the measures that are made explicit in those societies are administered in such a way that they do not undermine that concept, which is internalized. But when these are extrapolated to prematerial societies, with transculturated officials, the result is disastrous. Because neither of these two operators has a theoretical framework to adjust their actions and make them coherent with a result.

Let us make the equation of global wealth taking subsidies into account. Based on the newspaper data, 50 kilos of fertilizer are enough for 4000 square meters of land and cost 15 dollars, one third of the market price. And the government subsidized 50% of the value of the seeds. As we can see, the subsidy was 74 million dollars and wealth was generated between 120 and 140 million dollars. Therefore, it can be said that the global wealth of this society increased between 46 million and 66 million. Global wealth, if it had been the parameter of analysis of the World Bank and the officials of this country, would haveallowed this conclusion to be reached many years earlier. Now let us analyze why material countries did not conduct an analysis in a timely and proper manner. First, because in a material society, a subsidy ends up favoring a sector of it. And possibly, it does not go to the sector that generates the most wealth, has the most efficiency, or is the most competitive. In material societies there are options, such as industries that work in technology, there are farmers who make sophisticated products, there are designers who add infinite added value to fashion, etc. And it is not wrong to think this way. But in a country whose only option is to produce the greatest amount of food so that its population can subsist, the only option is to increase the food supply. Note that this also coincides with an increase in global wealth compared to the previous situation. That is why in our work we generated an entire language and a systemic framework that would allow prematerial societies to administer and allocate the resources they have in a way more coherent with their reality.

One conclusion that can be drawn is that the chosen mandate is a clear opposition to the famines from 2001 to 2005. Just as in Argentina society was strongly impressed by hyperinflation, Malawian society, thanks to the explicitness of that mandate, made the need to fight hunger their own.

We can also see that mismanagement is related to intellectual dishonesty, anthropophagy, and corruption, these being diseases of growth.

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